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# ***JPRS Report***

## **East Asia**

***Southeast Asia***

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# East Asia Southeast Asia

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## CONTENTS

29 November 1990

### BRUNEI

Biographic Information on Army Chief of Staff [Bangkok LAK THAI 5-11 Nov] .....	1
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### BURMA

Discontentment Seen Rife in Army [Bangkok BANGKOK POST 2 Oct] .....	2
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### INDONESIA

PRC Considers Switch in Rubber Suppliers [BISNIS INDONESIA 16 Oct] .....	3
Joint Border Agreement Signed [KOMPAS 1 Nov] .....	3
Suharto Sees Complications in Political Openness [KOMPAS 21 Oct] .....	4
President, Others Discuss GOLKAR Responsibilities [PELITA 18 Oct] .....	6
Commentary on Windfall Oil Profits [BISNIS INDONESIA 16 Oct] .....	7
Country Seen as Leading Rubber Producer by 1995 [BISNIS INDONESIA 15 Oct] .....	9

### THAILAND

Airline Lobbies for Flights to Cambodia [BANGKOK POST 25 Oct] .....	10
Chatchai Chief Adviser on Prasert Arrest, Chawalit [KHAO PHISIT 29 Oct-4 Nov] .....	10
Prasert Sapsunthon Manifesto, Background Reported [LAK THAI 5-11 Oct] .....	11
Police Officers Discuss Corruption, Supply Problems [BANGKOK POST 28 Oct] .....	14
Academic Expert on Army, MP Profiled [BANGKOK POST 27 Oct] .....	17
Changes in 2nd Army Region Order of Battle [LAK THAI 29 Oct-4 Nov] .....	19
Unions Make Minimum Wage Demand [LAK THAI 5-11 Nov] .....	20

### VIETNAM

#### MILITARY

Nguyen Quoc Thuoc on New Defense Tasks [QUAN DOI NHAN DAN 10 Sep] .....	21
Naval Units Engaged in Economic Tasks [QUAN DOI NHAN DAN 24 Sep] .....	22

#### ECONOMIC

Participation in Taipei Fair Strengthens Ties [SAIGON GIAI PHONG 17 Sep] .....	23
Aquatic Products Gaining in International Markets [SAIGON GIAI PHONG 3 Sep] .....	25

### SOCIAL

Smashing Schemes of Overseas Vietnamese [QUAN DOI NHAN DAN 21 Jul] .....	26
Interview With Counterintelligence Official [QUAN DOI NHAN DAN 18 Aug] .....	27

**Biographic Information on Army Chief of Staff**

9ISE0028A Bangkok LAK THAI in Thai 5-11 Nov 90  
pp 9, 10

[Excerpt] [passage omitted] On 7 November, Brunei's chief of staff, Major General Pehin Hajj Sulaiman Damit, arrived in Thailand on a visit. He will be in Thailand until 11 November. His official name is Pehin Tatuk Inthara Midia Seribaduda Hajj Sulaiman Damit. At age 49, he is quite young to hold the position of chief of staff. His military career is very interesting. He attended the Military Academy in Malaysia during the

period 1961-1962 and then took the platoon leaders course and studied military tactics in Malaysia in 1963. In 1964 he took finance and combat courses in Malaysia. In 1965 he went to England, where he underwent paratroop training and took the intelligence course. In 1967, in England, he studied the use of tactical weapons, and in 1971 he took the joint combat course there. Last year, he took the national defense course in England. For most of his military career, he has served as a finance or intelligence officer. Before he was appointed chief of staff in 1989, he served as commander of the Special Action Forces.

**Discontentment Seen Rife in Army**

91SE0018C Bangkok BANGKOK POST in English  
2 Oct 90 p 8

[Text] Burma's army, which has ruled under strict martial law for the past two years, is not as solid as it seems and may be seriously divided between senior and junior officers, sources told Reuters yesterday.

Diplomats and Burmese inside and outside the country said some officers had come into conflict with the ruling junta over its refusal to hand over power to the opposition National League for Democracy [NLD] which won elections four months ago.

"There is a growing unease among these officers about what they are being asked to do in the name of the armed forces," said a Burmese with close family links to the army.

The junta crushed a nationwide uprising two years ago, killing more than 1,0000 demonstrators.

It later promised to step down after general elections but since the overwhelming opposition victory in May it has ruled out any quick power switch and has arrested two NLD leaders.

The sources said many soldiers had shown their anger with the junta by voting en masse for the NLD which won 80 per cent of seats contested, even constituencies dominated by army families.

"There are a number of officers within the regime who are becoming deeply disquieted by the way things are going and would like to see a dialogue with the opposition," a senior diplomat said.

Relatives of army officials said dissenting officers including captains had been dismissed or shifted in recent months over their refusal to carry out junta orders to arrest opposition politicians.

They did not know how many officers had been affected but said discontent was rife.

Diplomats said soldiers were also alarmed by a growing campaign by buddhist monks mocking the army.

Monks in Mandalay and several northern towns had since August refused to perform religious rituals for army families and would instead bow down in front of passing soldiers in insulting irony.

"This is having a major impact on rank and file soldiers who have effectively been excommunicated," a diplomat said.

- Western diplomats said armed security personnel violently broke up a hunger strike by political prisoners in Burma's main prison last week.

The Rangoon-based diplomats, reached by telephone from Bangkok, told the Associated Press they received the reports from relatives of inmates who visited them at the jail. Authorities since then have stopped all visits to political prisoners, one diplomat said yesterday.

The reports said security personnel entered Insein jail, about 13 km north of downtown Rangoon, late Tuesday to end the week-old strike, he said. Some shots were fired and as many as 40 people were injured, he said.

"There were by all accounts some pretty brutal goings on," he said.

"I have heard this from not one, but several sources and I am reasonably confident that the information I am getting is reliable," the diplomat said.

Another diplomat gave a similar account.

A Burmese source said security personnel beat the prisoners with rifle butts when they began shouting their demands. Nine prisoners were taken to a hospital, four with serious injuries, he said.

Afterward, 70 of the strikers were transferred to a jail at Tharrawaddy, about 100 km north of Rangoon, the sources said.

They said at least 89 prisoners began the hunger strike at Insein jail on 18 September, the anniversary of the military government's brutal takeover in 1988.

The diplomats said all the hunger strikers were political prisoners and some were students.

They said the prisoners were demanding the military government immediately transfer power to the NLD.



## PRC Considers Switch in Rubber Suppliers

91SE0027A Jakarta BISNIS INDONESIA  
in Indonesian 16 Oct 90 p 11

[Text] Jakarta (BISNIS)—China, the world's third largest importer of natural rubber, may import its rubber from Indonesia instead of Malaysia, its traditional supplier.

Dr. A.F.S. Budiman, executive director of GAPKINDO [Association of Indonesian Rubber Enterprises], said at his office on Saturday [13 October] that Indonesian natural rubber is attractive because it is cheaper than Malaysian rubber. "Our rubber producers are also able to deliver in greater quantities than the Malaysians can."

The normalization of Indonesia-China relations last August has also stimulated purchases of Indonesian rubber. In the past, Indonesian rubber incurred high import fees (10 percent) because of the absence of diplomatic relations, the GAPKINDO executive director said. "When ties were normalized, however, the import fees were eliminated."

Citing observers of foreign markets, Budiman said that the Chinese Government may encourage buying rubber from Indonesia because intergovernmental relations exist between the two countries. The government will do this by instructing Chinese companies, which generally belong to the government, to deal directly with PT [Limited Company] Perkebunan, Indonesia's BUMN (state-owned enterprise) for estates.

Chinese natural rubber consumption reached 620,000 tons last year, of which 380,000 tons were imported, especially from Malaysia (101,550 tons). The rest was imported from other producers, including Indonesia.

Budiman also mentioned several obstacles to trade with China, such as the balance of payments issue and transportation problems.

After a consultation meeting with all GAPKINDO branches last Saturday, Budiman said that the natural rubber market is not very profitable at present because of weak market demand (the tire industry). "Production exceeds demand," he said.

Higher oil prices (caused by the Gulf crisis) have made the situation unprofitable by pushing up inflation, which in turn affects automobile use and tire consumption.

At present, he said, it is hard to hope for a drastic improvement in the natural rubber market. "We can only hope consumption will go up again."

## Japanese Claims

Budiman said that product quality is the main key to improving Indonesian rubber sales. Indonesian rubber, especially smallholder rubber (70 percent of the national output), is known for its very low quality.

"We must therefore apply overall quality control," he said. "This is especially true because of threats from the Japanese Rubber Trade Association, which will submit claims if contamination is found, even if the rubber has already been made into tires."

According to Budiman, this is the first time a threat of claims has been made. Usually, a transaction is complete when the goods have been delivered and the price paid. "Now, however, we have no choice but to improve the quality of our rubber."

He also mentioned practices that reduce the quality of smallholder rubber. For example, to coagulate latex, farmers often use substances that hurt quality, such as alum, sulfuric acid, TSP [triple superphosphate] fertilizer, and even urine. Formic acid is the chemical they should use.

Farmers use the substances that are not recommended because they want to make their rubber heavier when it is sold and because the materials are cheaper and easier to get.

To resolve this problem, GAPKINDO has discussed formic acid distribution with PT PUSRI [Sriwijaya Fertilizer], which has networks down to the village level.

Budiman said that GAPKINDO is seeking good rubber seedlings so that smallholder rubber production, recognized as the lowest in the world (500 kilograms per hectare), can be improved.

The best seedlings are obtained by grafts from good clones at research institutions.

## Joint Border Agreement Signed

91SE0027B Jakarta KOMPAS in Indonesian 1 Nov 90  
p 13

[Text] Yogyakarta (KOMPAS)—People living on the border of Indonesia and Papua New Guinea (PNG) receive very special treatment. Besides being able to cross back and forth by merely showing a border crossing card, they can take advantage of funds allocated by both countries. For example, PNG residents, too, can take advantage of the 2 billion rupiah that the Indonesian Government will be making available for agricultural development in the border area. The same is true of aid funds for natural disaster relief, education, and culture.

Agreement on this situation was one of the accomplishments of the Ninth Meeting of the Indonesia-PNG Joint Border Committee, said Wiryono, DEPLU [Foreign Ministry] director general for political affairs, on Tuesday afternoon [30 October]. Wiryono was accompanied by Denis Renton, chief of the PNG Bureau of Bilateral Relations, as he announced the results of the meeting.

Wiryono acknowledged that people living in the border area receive very special treatment. To cross back and forth, they need only a border crossing card, not a

passport or pass as is the case along Indonesian borders with Malaysia and the Philippines.

He also said that if a resident of either country commits a crime and seeks protection in the other country, his arrest does not need to be arranged by INTERPOL [International Criminal Police Organization].

Through this mutual openness, it is hoped that residents on both sides will display to each other the wealth of their respective cultures at their national independence celebrations and that at certain times they will invite each other's athletic teams.

"We want to live next to each other in peace. We give what we have to Indonesia, and it is proper that Indonesia should give what it has to us," said Denis Renton. Wiryono agreed.

The two officials acknowledged that the Ninth Meeting was mutually beneficial and that tension is a thing of the past.

#### Ratification

Prior to the meeting, the governments of Indonesia and PNG exchanged protocols ratifying a basic agreement on border arrangements. The exchange was made by Indonesian Minister of Home Affairs Rudini and PNG Defense Minister Benais Sabumei.

The basic agreement had been signed by the foreign ministers of Indonesia and PNG at Port Moresby on 11 April 1990 during the Indonesian foreign minister's visit to PNG. An agreement was first made in 1979 and then renewed and amended in 1984 and again in 1989.

Under this second renewal, the two countries improved and expanded the basic framework of their cooperation, and both declared their determination to maintain security and assure equal development in the border area for the sake of the welfare of people on both sides.

Several of the changes improved on the 1984 basic agreement, particularly with regard to clearer delineation of the border area.

The agreement spells out the border region and focuses on the "border area" rather than the "border line." It is in this regard that there are "special" elements for both Indonesian and PNG residents of the area. The "border area" has as its boundaries the borders of the regencies/level II regions adjacent to the national border.

#### No Serious Issues

The Indonesian delegation to the Ninth Meeting of the Joint Border Committee was made up of 45 people under the leadership of Minister of Home Affairs Rudini, while the 31-member PNG delegation was led by PNG Defense Minister Benais Sabumei. Since there were no serious issues to be considered, the two ministers delegated authority for further discussion to their delegations.

One member of the Indonesian delegation was Irian Jaya Governor Barnabas Suebu, who had made some of the proposals approved in the Ninth Meeting. Because the talks moved smoothly, the meeting finished a day early.

"There was no longer any tension," stated Director General for Immigration Roni Sikap Sinuraya. In comments the day before, Minister of Home Affairs Rudini said the Indonesia-PNG meeting in Yogyakarta was held at a more advantageous time and under much better conditions than was the case with previous meetings.

#### Suharto Sees Complications in Political Openness

91SE0013B Jakarta KOMPAS in Indonesian 21 Oct 90  
p 1

[Text] Jakarta (KOMPAS)—President Suharto emphasized that differences of opinion are permissible but that these differences must not be allowed to destroy our unity and integrity. "Differences of opinion are important elements of democracy, but differences merely for the sake of differences can destroy democracy."

President Suharto, as chairman of the Functional Group [GOLKAR] Supervisory Council, made this statement on Saturday night [20 October] at Senayan Auditorium, Jakarta, in a program to commemorate GOLKAR's 26th anniversary. The program was also attended by Mrs. Tien Suharto, Vice President Sudharmono as deputy Supervisory Council chairman, GOLKAR elders and functionaries, and at least 5,000 GOLKAR cadres from the JABOTEK [Jakarta, Bogor, Tangerang, and Bekasi] area.

The program also included the reading of a 15-point GOLKAR political statement on GOLKAR's determination to intensify its dedication and hard work and to lead the way in development as it responds to the message of the people's suffering.

According to the president, differences of opinion should be a force for expanding our viewpoint, broadening our perspective, and rejuvenating us as a nation. These differences also help us to find the best answers to the problems we face together.

"We have long declared Pancasila to be an open ideology, and we long ago determined to make our society an open one. Our job now is to ensure that this openness enhances our unity and vigor instead of fragmenting our nation," he continued.

The president emphasized that openness requires greater responsibility on everyone's part in order to safeguard our unity and integrity, guarantee the nation's welfare and progress, and bring us closer to our national objectives. "This is the job of GOLKAR, especially, but also of all the nation's forces and groups," the president said.

The president began his speech by saying that in its 25 years GOLKAR has grown to become the largest socio-political force. It has many members and supporters. GOLKAR has the largest number of representatives in

the MPR [People's Consultative Council], the DPR [Parliament], and DPRD's [regional legislatures] at regional levels I and II. All of this demonstrates that GOLKAR has become the main guardian of the people's political mandate.

"Therefore, GOLKAR bears the main political responsibility for our success or failure as a society, nation, and state. This political responsibility is a historic one. We must fulfill this responsibility in the best and most appropriate way at all times and at each phase of the nation's development," he asserted.

He noted that GOLKAR's role as a renewal force is a dynamic one. In this role, it must have a healthy perspective and use up-to-date procedures. "As a renewal force, GOLKAR clearly faces many difficult challenges and obstacles," he said.

#### Strategy Evaluation

According to President Suharto, GOLKAR needs to make periodic strategy evaluations regarding long-term renewal targets and new issues that still need to be understood, articulated, analyzed, and resolved.

He said that one big long-term task that was begun and accomplished during the past several decades was the formulation of the nation's first 25-year development strategy. GOLKAR has had a part in changing national orientation from continuous "revolution" to planned and phased development.

According to President Suharto, this has been a very fundamental change. Important political activities, such as general elections, have been established as overall components of our modernization strategy.

"We do not view general elections as merely a program for gathering the greatest possible support. Victory in an election is not the objective. An election is a statement of the people's approval of GOLKAR development programs," he stated.

He said further that the current modernization strategy has begun to reach its goal. The Indonesian people have been successful in laying and stabilizing a foundation for national development. They are prepared to mobilize all their capabilities as they enter the takeoff era.

The next century will not be just an extension of this one. The Indonesian people will face new problems and challenges that will not be merely repetitions of the old ones. New responses must be made in the best and most suitable ways.

As the main guardian of the Indonesian people's political mandate, GOLKAR must establish a new development perspective and strategy in order to face these problems and challenges. "In view of the rapidly changing world around us, we must have constant effort and renewal," the president said.

#### Remain Consistent

GOLKAR DPP [Central Executive Council] Chairman Wahono said in his remarks that GOLKAR will consistently defend Pancasila and the 1945 Constitution under all conditions. GOLKAR will always be faithful to its own identity and to implementation of Pancasila and the 1945 Constitution.

He also hoped that GOLKAR will always renew itself and serve as a vehicle of the people's struggle. GOLKAR should not fight for itself but for the success of development dedicated to all the people. "This dedication is an inescapable response to the faith that the people have placed in GOLKAR," he asserted.

In its political statement, GOLKAR declared its determination to stabilize the development of a constitutional and democratic political system based on law and to lead the way in implementing Pancasila democracy in a spirit of cooperation and openness.

GOLKAR is determined to improve the quality of the 1992 election. GOLKAR will endeavor to prevent any economic disparity that could lead to social imbalance and unrest and cause economic domination of low-income groups by conglomerates.

GOLKAR hopes that the private sector will be more directed toward strengthening economic and business activity among the people, so that economic opportunities will not benefit just one small group. "Economic democracy must support and safeguard political democracy, while at the same time preventing social disparities."

GOLKAR will work as hard as it can to develop and improve the individual person, who represents the nation's potential. In order to achieve the future that the nation wants, GOLKAR considers it absolutely necessary to enhance development of the individual and of Indonesian society as a whole.

GOLKAR will always work with ABRI [Indonesian Armed Forces] to block and resist every interference with security. GOLKAR reiterates that ABRI's dual function is an expression of ABRI's oneness with the people.

#### Ceremonial Meal

As part of the 26th anniversary celebration, GOLKAR held a ceremonial meal on Saturday afternoon [20 October]. Those in attendance included GOLKAR cadres such as Soesilo Soedarman, Amirmachmud, and Prof. Dr. B.S. Mulyana. The brief ceremony lasted no longer than 40 minutes and was marked by the presentation of a ring to former South Sulawesi Governor/Head of Region Level I Ahmad Lamo by GOLKAR DPP General Chairman Wahono in recognition of the former governor's senior status.

In his brief remarks, Wahono emphasized GOLKAR's principle of fighting for all levels of society and not merely for certain people or groups.

### **President, Others Discuss GOLKAR Responsibilities**

91SE0012C Jakarta PELITA in Indonesian 18 Oct 90  
p 1

[Text] Jakarta (PELITA)—GOLKAR [Functional Group] must restore and rejuvenate itself, provide opportunities and be a channel for the people, and strengthen its role in providing capability and strength to the Indonesian nation. This applies to those within the GOLKAR organization as well as to those who live in the midst of the community.

President Suharto, as chairman of the GOLKAR Supervisory Council, said this in his written message for the opening of the GOLKAR Level Two Leadership Conference (RAPIM) in Jakarta on Wednesday [17 October]. Coordinating Minister for Public Welfare Rustam Suparjo, as chairman of the Managing Presidium of the GOLKAR Supervisory Council, read the president's message. Members of the Supervisory Council and GOLKAR officials from all over Indonesia were present.

GOLKAR must be an open forum for identifying development problems, analyzing causes, and seeking solutions, the president continued. "This, in fact, is one of the ways that a sociopolitical organization can politically educate the people," he stated.

According to the president, performance of this difficult task requires that more attention be given to the development and maturity of potential leaders in the field. This will enable them to handle problems themselves.

He said that such a strategy is the expression of our conviction that national development is the development of the complete Indonesian individual and of the entire Indonesian society. The individual is both the moving force and the ultimate objective of national development. The individual, then, must be given a more central role in the overall development movement. Organizations are means and vehicles for serving the growth and expansion of individual potential. "Such a development strategy will also clearly contribute to achievement of GOLKAR's third three-fold success, namely success in the 1992 general election."

Speaking about the 1992 election, the president declared that the election must be a time for consolidating and evaluating our implementation of the first long-term development phase. It must also be a time for producing new policies and strategy for the second long-term development phase.

The 1992 election, he went on to say, will not be a political arena for gathering maximum support. GOLKAR must continue to play its primary role as a force for development and modernization of the nation.

Each organization participating in the election will be scrutinized carefully with respect to its past shortcomings and its vision for the future.

"Let us be ready throughout all GOLKAR ranks to make our political report to the voters on what we have done and on what we have not yet done. Let us offer the policies and strategies that should be followed in developing the nation in the next 25 years," the president urged.

### **Logical Consequence**

Wahono, general chairman of the GOLKAR DPP [Central Executive Council], said earlier that GOLKAR's sense of call to holding a position in dealing with the next 25 years is merely a logical consequence of GOLKAR's principles of seeing issues as universal and taking very long-term viewpoints. GOLKAR does not fight for merely one partial, narrow, "primordial" sector; nor does it fight and work just for the elections that are held every five years.

He said that GOLKAR was created by a historical process in order to respond to crises faced by the nation. Therefore, from its beginning it has had a holy mission to bring about renewal and change through constitutional means and procedures and by consistent reference to Pancasila and the 1945 Constitution.

Renewal and change, he continued, are not something that can be completed in one year or in one REPELITA [5-Year Development Plan]. In fact, it may not be completed in one long-term development phase. Renewal proceeds according to the dynamic rhythm of the people's needs and aspirations. Thus, renewal will proceed as long as development continues. Therefore, GOLKAR's renewal mission will always be associated with national development. Of course, renewal and development complement each other and provide mutual input and influence.

These considerations, he added, motivate GOLKAR to act under larger concepts without losing its relevance. It must be integrated more comprehensively without losing the nuances of development that are sensed in the field. "Such an attitude will create a new political culture and new political conduct to respond to the demands of the age. This political culture and conduct will set our direction and attitude and will be our mainstay as we carry out GOLKAR's mission," declared Wahono.

### **Lead the Way**

ABRI Commander [PANGAB] General Try Sutrisno said in his message that GOLKAR, as a great sociopolitical force, must always lead the way in realizing and perfecting the Pancasila democratic mechanism as a way to strengthen constitutional government. "We realize that the practice of Pancasila democracy, which encompasses political, economic, and social democracy, has not yet been fully and consistently realized," the PANGAB said.



The PANGAB also called on GOLKAR to lead the way in drawing up concrete concepts for a system of developing cadres for our national struggle and development. These must be cadres with reputation and achievement, from the lowest echelon to the national level. They must be influential and trustworthy.

"If this can be brought about, I am confident that the mechanism for establishing national leadership will have stability. This stability will apply also to internal relations within the political infrastructures and 'suprastructures,' as well as to relations between the infrastructures and 'suprastructures.' These relations will be based on values incorporated in Pancasila and the 1945 Constitution," the PANGAB said.

In concluding his message, the PANGAB directed three points to all GOLKAR cadres. First, this forum should formulate concrete and positive concepts to stabilize the Pancasila democratic mechanism in accordance with the 1945 Constitution. These concepts will represent a contribution of ideas that can be applied by everyone for the sake of the community, nation, and state.

Second, this forum should reflect objectivity from a national viewpoint and should be constructively positive in the implementation of the Pancasila democratic mechanism. This should be done by placing each person in his proper place in the political infrastructure or "suprastructure," consistent with our political system, pattern, and culture.

Third, in order to create stable but dynamic conditions for welcoming the takeoff era, the 1992 election, and the 1993 People's Consultative Council General Assembly, each member of our great national family must keep on striving to improve national awareness and personal self-control. The purpose of this is to keep us from being deceived by smooth slogans which, although couched in terms of openness, democracy, and freedom, could if uncontrolled plunge us into conditions that threaten the nation's unity, integrity, and permanence.

### Commentary on Windfall Oil Profits

91SE0027D Jakarta BISNIS INDONESIA  
in Indonesian 16 Oct 90 p 1

[Article by Suryadi A. Radjab: "Impact of the Oil Boom and Economic Nationalism"]

[Text] An "oil boom" can be defined as a windfall derived from soaring oil prices. It is a term that Indonesia became acquainted with in 1973. Indonesia is known as a crude oil producer which sells its oil on international markets. These crude oil exports are our largest source of income and are very important to our national earnings.

Economic nationalism is an economic policy that strongly emphasizes domestic economic development

through licenses, concessions, business contracts, protection, and state subsidies to native Indonesian businessmen. The implication of this economic nationalism policy is a limitation on the role of foreign capital while giving advantage to domestic big business groups.

Thus, the oil boom means abundant income from crude oil sales, while economic nationalism implies a policy of protection for native businessmen. The purpose of these articles is to examine the special connection between the oil boom and economic nationalism. This connection is treated in two parts. The first part will cover world oil prices and increased state income. The second will examine the history of economic nationalism and its development under current conditions.

### Oil Prices

The 87th OPEC meeting in Geneva on 26 and 27 July 1990 agreed to raise the minimum crude oil reference price from \$18.00 to \$21.00 per barrel, despite differences of opinion voiced during the process. Although the premeeting market price of \$14.50 to \$15.00 per barrel was seen as quite low, the meeting still agreed to set the minimum reference at \$21.00.

Because of the Persian Gulf crisis that arose from the Iraqi invasion of Kuwait and the presence of the multinational force in Saudi Arabia, anxiety has arisen in the business world over oil supply and demand. On 23 August, the price of Brent-type crude oil on the London exchange leaped to \$31.05 per barrel. Meanwhile, in New York, oil for delivery the same month was \$31.00, and in Dubai it was \$30.50. In fact, there are predictions that if Saudi production and export facilities are disrupted, crude oil could reach \$40 to \$50 a barrel.

The Gulf crisis apparently has psychologically affected the atmosphere at the oil exchanges. On 16 September, the crude oil price on the New York exchange was \$32.00 per barrel, and Brent-type North Sea oil rose to \$31.25.

In Jakarta, the September price for Minas-type crude surged to \$28.03 per barrel. Brent kept rising to \$33.00, and WTI [West Texas Intermediate] increased to \$32.00, as reported by Minister of Mining and Energy Ginanjar Kartasasmita.

Demand for oil is certain to rise in the winter. For that reason, Ginanjar believes that if oil supplies remain as at present, crude oil prices could reach \$40.00 per barrel during the winter.

Because of concern over the Gulf crisis, oil prices continue to rise. Spot prices have reached almost \$40.00, and the price of Brent is at \$38.90. These are the highest prices in the last 10 years.

There is no end to speculations and estimates on oil prices. If a Gulf war should break out, the World Bank believes the price could reach \$65.00 a barrel. The Bank feels that prices through 1990 and 1991 will be unpredictable and then could go up \$30 to \$40 in five years.

There is another estimate that the price could reach an average of \$58.00 during the second half of 1990 and rise to \$65.00 per barrel going into 1991, and then drop to \$44.30 in 1992 if war does not continue.

### Foreign Exchange Deluge

For Indonesia—as an oil producer—soaring oil prices on world exchanges means the state's pockets are being filled. This is a windfall for Indonesia, thanks to the still unresolved Gulf crisis.

Although Indonesia is known as an oil exporter, it imports oil, too. Nevertheless, it cannot be denied that Indonesia has received a windfall from soaring oil prices, as it did 17 years ago. This drastically soaring price means that the state is swamped with foreign exchange earnings from its crude oil exports. This foreign exchange deluge follows eight years of fiscal crisis resulting from an oil price collapse and a world economy overwhelmed by recession.

Higher crude oil prices mean that Indonesia pockets profits in U.S. dollars. Foreign currency in our pockets means foreign exchange. Thus, because of the drastic price surge, Indonesia is obtaining an abundance of foreign exchange. Each \$1.00 increase puts an additional \$500,000, or 930 billion rupiah [as published], into the state's pockets. With a reference price of \$28.30 for Minas-type oil, about 9 or 10 trillion rupiah have flowed into the state's pockets. Moreover, oil prices remain uncontrolled and are still on an upward trend.

This flood of foreign exchange is clearly a result of the uncertainty surrounding the Gulf crisis, which has cut world oil production about 4 million barrels a day. Saudi Arabia, which, with an output of 5.38 million barrels per day, is the biggest OPEC producer, intends to compensate for the shortfall by producing an additional 2 million barrels daily. Similarly, the Arab emirates, which have a 1.5-million-barrel-per-day quota, will increase their daily production by 400,000 barrels.

A production quota of 22.5 million barrels per day was approved at the OPEC meeting in July. According to Iranian Oil Minister Aqasadeh, OPEC is ready to abandon the quota it had agreed upon. The Venezuelan president offered 500,000 barrels per day to the United States as a response to reduced international oil production. Meanwhile, non-OPEC producers are operating at "full capacity" and are unwilling to raise production. In fact, they prefer that prices remain high.

Indonesia's present quota is 1.375 million barrels per day, a volume it will not reach until November. OPEC will not meet again until December. In the next meeting, Indonesia will ask that its quota be increased by another 100,000 barrels. It hopes its daily production will be from 1.4271 to 1.5151 barrels.

The purpose of the additional production is to control prices before winter comes. In winter, it is normal for oil demand to rise. In a meeting with Commission VI and

the APBN [National Budget] Commission of the DPR [Parliament], Minister Ginanjar Kartasasmita said he is prepared to increase production by about 150,000 barrels per day.

Soaring oil prices on world exchanges and the higher OPEC minimum reference price have increased the national treasury's foreign receipts. These foreign revenues mean more foreign exchange. Meanwhile, oil prices are still uncontrolled. As oil prices continue to rise, Indonesia and other oil exporting countries are experiencing another oil boom like the one in the seventies.

### Using the Income

The 1990-91 ABPN did not reckon on soaring oil prices. These developments were not expected. Prices had actually been relatively good during the previous fiscal year, but the lack of agreement on quotas among OPEC members caused excessive production (supply). Prices then fell. Last April, the price was \$17.22 per barrel, but by May it had fallen to \$16.00. In June, it fell even further, to \$15.18, and in July it was only \$14.47. Then, in the OPEC meeting on 26 and 27 July, a \$21.00 price was agreed on. Iraq took over Kuwait on 2 August, and prices immediately soared.

Thanks to these skyrocketing oil prices, the state has a revenue surplus, and its balance of payments is clearly improving. Minister Ginanjar says that use of the surplus is up to the Department of Finance and BAPPENAS [National Development Planning Board]. This surplus apparently has attracted a number of proposals for its use. Some of the proposals naturally carry risk. Several of them are described below.

First, DPR members propose an allocation for an extra month's wages for civil servants and ABRI [Indonesian Armed Forces] personnel. Second, Ali Wardhana suggests projects for the public interest that involve extensive imports. Third, there is a recommendation that the surplus be used to pay foreign debts, especially the commercial loans. Fourth, the excess could be used to stabilize foreign exchange reserves, enabling Bank Indonesia to exercise its monetary authority more extensively when there are disruptions. Fifth, strengthen nonoil exports—which so far have depended on U.S. and Japanese markets—in order to face a possible world economic recession.

Because the government still adheres to a balanced budget, the extra revenues will not produce a surplus budget. Radius Prawiro, coordinating minister for economics, finance, industry, and budget control, said that the excess revenues will be used for additional regional projects in order to overcome social disparities.

Many economic observers feel it is important that there be short-term action to control inflation. Since oil is a vital commodity, oil price surges affect the prices of other commodities. If oil prices are not controlled, international inflation is certain to occur.

For Indonesia, soaring oil prices mean possession of large sums of U.S. currency, and, if their allocation is not appropriate, domestic inflation will result. Such inflation could undermine our economic growth.

If Indonesia, as a debtor nation, would use these extra revenues to pay its debts, this action would block inflation and reduce our DSR (debt service ratio). Rising oil prices have broad implications, however, especially for manufacturing costs. High production costs would make it difficult for the business world to create an effective "aggregate demand," thus weakening economic activity. The demand for goods would decline, which would be a blow to Indonesian exporters of nonoil products. The swing between supply and demand is the basic dynamic of the market.

### Country Seen as Leading Rubber Producer by 1995

91SE0027C Jakarta BISNIS INDONESIA  
in Indonesian 15 Oct 90 p 6

[Text] Jakarta (BISNIS)—In 1995, Indonesia will become the world's largest rubber producer, a Department of Agriculture official says, and the government plans to make grants for replanting 380,000 hectares of smallholder rubber.

Rachmat Subiaprada, the Department of Agriculture's director general for estates, said in his office on Saturday [13 October] that at the beginning of REPELITA I [First 5-Year Development Plan] Indonesia had only 2.3 million hectares of rubber and a production of 773,000 tons. That area has now been expanded to 3.1 million hectares, and production is 1.3 million tons.

"In fact, international rubber experts predict that in 1995 Indonesia will become the world's largest rubber producer," Rachmat stated.

Rachmat cited estimates by these experts that in 1995 Indonesia, with a production of 1.596 million tons of rubber, will be first and Malaysia will be second with 1.553 million tons. In 1988, Malaysia was in first place with a production of 1.662 million tons, and Indonesia was second with 1.295 million tons.

According to the estimates cited by Rachmat, Indonesia's production in the year 2000 will reach 1.898 million to 2.005 million tons, while Malaysian production will be only 1.507 million tons. Thailand, which previously held the number three position, will be the second largest producer, with an output of 1.565 million tons.

Rachmat said these estimates apparently take into consideration Indonesia's Industrial Forest Cultivation (HTI) plan, which includes a rubber cultivation program. Armana Darsini, director general for land reforestation and rehabilitation in the Department of Agriculture, had previously reported that HTI development of 90,000 hectares of rubber was programmed for the first year of REPELITA V [Fifth 5-Year Development Plan].

The director general for estates is confident that if development of the estate subsector, particularly rubber, goes as planned, and if no world recession results from the Persian Gulf crisis, it will not be hard for Indonesia to become the world's largest rubber producer, as predicted by experts.

Rachmat said that of Indonesia's 3.1 million hectares of rubber, 83 percent is smallholder land, nine percent belongs to Estates Ltd. (PTP), and eight percent is owned by private interests. "From the production aspect, 70 percent comes from smallholders, 18 percent from PTP, and 12 percent from privately owned estates."

He also said that the 1969 rubber export volume was only 657,000 tons but that in 1988 it reached 1.132 million tons. Domestic industry absorbs only 10 percent of national rubber output.

Of Indonesia's 3.1 million hectares of rubber, Rachmat said, 757,000 hectares consist of new rubber trees that are not yet producing. Trees in production cover 1.933 million hectares, and old trees no longer productive make up 420,000 hectares.

Of the 420,000 hectares of unproductive trees, 380,000 hectares are smallholder land. "The government will provide aid grants totaling 83 percent of total costs for the replanting of smallholder rubber," Rachmat stated.

He said that rubber smallholders who replant their trees are expected to receive 900,000 to 1.2 million rupiah in aid. The plan calls for each family to replant 2 hectares of trees.

Rachmat said he will seek to ensure that rubber smallholders perform careful maintenance of trees not yet producing, since these trees will be the backbone of future production.

In addition, he said, regular replanting of old trees is programmed for 77,000 hectares, or four percent, every year.

The director general revealed that in the framework of improving rubber quality and markets, 100 units of simple rubber processing equipment will be provided in 1990-91. This equipment will be concentrated in Indonesia's six main rubber producing provinces. "The provinces are North Sumatra, Riau, Jambi, South Sumatra, West Kalimantan, and South Kalimantan."

Rachmat explained that this quality improvement is concentrated and is specifically related to direct sales to processors belonging to GAPKINDO [Indonesian Association of Rubber Enterprises].

Rachmat said concentration is the policy used in replanting and in placement of processing units. The objective is production that achieves economy of scale.

When asked whether the wood industry will use trees felled under the smallholder replanting program, Rachmat said he has been contacted by parties interested in processing the trees. "Several are interested," Rachmat disclosed.

**Airline Lobbies for Flights to Cambodia***91SE0035B Bangkok BANGKOK POST in English  
25 Oct 90 p 2*

[Excerpt] Thai Airways International yesterday told the House Foreign Affairs Committee it is ready to set up regular flights to Siem Reap for tourists visiting Khao Phra Viharn if Cambodia agrees.

Committee deputy spokesman Sombat Srisurin said representatives of the national airline told a hearing on the possibility of developing Khao Phra Viharn as a tourist attraction that it has plans for two flights a week to Siem Reap, which could be put into effect immediately once Phnom Penh approves them.

Thai representatives said Siem Reap still lacks safety and facilities for tourists, but Mr Sombat said the committee believes the situation in Cambodia has largely been resolved and Thailand should try to open a relationship by establishing flights into the country.

The committee is sending a sub-committee comprising Maj Sripanom Vichitvorasarn, Anusorn Wongwan, Prapan Hutasing and Sombat Srisurin to Laos today for talks with the Cambodian ambassador there about opening up Khao Phra Viharn to tourism.

The committee also urged the Communications Ministry to move quickly in seeking flights to Cambodia. [passage omitted]

**Chatchai Chief Adviser on Prasert Arrest, Chawalit***91SE0030A Bangkok KHAO PHISET in Thai  
29 October 90-4 Nov 90 pp 21-23*

[Interview with Prime Minister's Adviser Han Linanon on 23 Oct 90; place not given]

[Excerpts] Editor's Note: When he was still in the army, General Han Linanon held several important positions such as director of army operations, assistant army chief of staff for operations, and commander of the 4th Army Region. When he was director of operations, Gen. Han was a member of the Democratic Soldiers group, which took some of its ideas from Mr. Prasert Sapsunthon. Moreover, he played a leading role in the promulgation of Order 66/2523 on defeating the communists. But later on, Gen. Han announced that he was dissociating himself from the Democratic Soldiers. But he probably retained many of these ideas and simply altered Order 66/2523 in implementing his Tai Rom Yen policy during the period that he served as commander of the 4th Army Region (1981-1983). Gen. Han has served as an MP for three terms as a member of three different parties: the Democrat Party, People's (Solidarity) Party, and Thai Nation Party. He once served as minister of agriculture. Today, he is president of the Prime Minister's Advisory Council. KHAO PHISET interviewed Gen. Han on 23 October 1990. [passage omitted]

[KHAO PHISET] The New Hope Party of General Chawalit seems to be trying to bring about real democracy rather than a democracy of financiers in political parties. Doesn't that mean that there will be conflicts with these financiers?

[Gen. Han] We won't collide with them. There are several classes of people. There are the poor, the middle class, and the rich. As I have said, the financiers must do things that will benefit the nation. If the nation falls, so will they. There are many good financiers. We can't abandon these people. We have to see if they have a democratic spirit. The reason why we succeeded in ending the revolutionary war was that we trained the financiers and the leading officials in the provinces. We even held seminars for the terrorists. If everyone works together, society will survive.

[KHAO PHISET] How do your ideas differ from those of Gen. Chawalit? It seems that your ideas are very similar.

[Gen. Han] Our ideas are not yet synchronized. But if a wealthy person joins a party and uses his money to benefit [the country], he can do that. If he brings in 10 or 20 people.... We must struggle for democracy. We want to enter parliament and serve as the administration on behalf of the nation.

[KHAO PHISET] Are your views and the views of Gen. Chawalit contrary to the policies of the present administration, which is focusing on investment? Following this policy, we have occasionally had to go into Burma and other places in search of a profit. And even in Thailand, the forests have been destroyed because of this.

[Gen. Han] As for policy matters, don't forget that the prime minister wants the country to industrialize and that investment is part of this. The prime minister wants the economy to grow. But at the same time, amidst the confusion, the government has solved various problems, such as dispersing small industry to the regions in order to provide work for the unemployed laborers, who may be unemployed because they sold their land. As for people selling their land, in the past, they could sell it for only 10,000 baht, but now they can get 1 million baht. And so they sell their land and migrate to the cities. But they know nothing about city life and can't adjust to life there. The urban factories can't hire additional people, because modern factories use fewer people. But recently, the prime minister has taken steps to help the farmers at a time when the price of oil has skyrocketed. Because of higher oil prices, the price of consumer goods has risen, too. The government has promulgated several measures to keep this from affecting the lives of the farmers. For example, it has reduced the export tariff on rubber products in the south and on all types of agricultural products. It has reduced the import duty on insecticides, fertilizer, and agricultural machinery. This will help the farmers. At the same time, the government has also



promulgated measures to punish those who engage in price gouging. [passage omitted]

[KHAO PHISET] Last week, a student from Ramkhamhaeng University burned himself to death. Some people said that Prasoet Sapsunthon was implicated in this. Who do you think was behind this?

[Gen. Han] These students definitely got some of their ideas from Prasoet. That is undeniable, because those who study democracy must study the views of Prasoet at some time or other. But after studying his ideas, can they make use of them? I am opposed to the establishment of a Revolutionary Council. How can there be a Revolutionary Council when we already have a constitution? We have an elected parliament and an elected administration to govern the country. Establishing a Revolutionary Council would require using force to do away with our constitution. That is a violent method and can't be done.

[KHAO PHISET] In the past, you were involved with Prasoet and had close ties to him, isn't that right?

[Gen. Han] Yes. As I said, during that period, those who studied about democracy had to study his ideas. He was a thinker whose ideas we studied just like we studied the ideas of other thinkers. Many people in the military studied with him or with his associates. But we have been apart for a long time now.

[KHAO PHISET] What do you think about Prasoet's ideas?

[Gen. Han] He is a person with democratic ideals, and he has the ability to propagate his views on democracy. The important thing is that he taught us a lot about communism. He mobilized people to take up arms and formed a liberation army. At one point, it seemed as if they would succeed in toppling the government. This was because of various political factors. We had a dictatorship, which enabled the communists to grow. But the government awoke in time.

[KHAO PHISET] Now that the communist threat ended, the strategy has turned to exerting pressure for democracy, which is something that Prasoet wants. Thus, is he still cooperating closely with the military, for example, with the party of Gen. Chawalit Yongchaiyut?

[Gen. Han] I don't know, because I have dissociated myself from the Democratic Soldiers. I have never forgotten those who have taught me, but after we have been trained, we have to decide for ourselves how to use that training. We can't use our training to bring about the establishment of a Revolutionary Council and tear up the constitution. I am against that.

[KHAO PHISET] Do you know Major General Prasit Nawawat, an important member of the Democratic Soldiers group who is close to Prasoet?

[Gen. Han] I know him, but we have not met for more than a year now. I have no idea if he was behind this movement.

[KHAO PHISET] Do you think that Prasoet should be arrested?

[Gen. Han] Definitely not. We should at least be grateful to him for getting military officers to think about democracy. Some of these officers are just major generals and colonels.

[KHAO PHISET] What is the Democratic Soldiers group like today?

[Gen. Han] The views of this group have not changed. I have not met any of them for a long time. Major General Rawi Wanphen, for example, is a good person. I am no longer in contact with him. Another person is Han Phongsithanon. He was the first to use democratic ideas in the struggle against the communists. But he is a very resolute man and so he resigned.

#### **Prasoet Sapsunthon Manifesto, Background Reported**

*91SE0031A Bangkok LAK THAI in Thai 5-11 Oct 90 pp 23-26*

[Text] Who is Mr. Prasoet Sapsunthon, from where does he come, and why has he been able to control the thinking of certain policemen, soldiers, students, and laborers? These are questions in which many people are interested. Particularly during the present crisis of confidence in the government, he has played a role in bringing about political changes that he thinks are necessary.

#### **A Native of Surat Thani Province**

Special Branch Police have compiled a dossier on Mr. Prasoet. This states that he was born in Surat Thani Province on 8 May 1913. He completed his secondary education at the Surat Thani provincial school. He earned a B.A. degree in literature from Chulalongkorn University and then went to work as a teacher at Suan Kulap Withayalai School.

The Special Branch Police said that Mr. Prasoet was always an outstanding student. He was always interested in politics, particularly the effects of the administrative changes of 1932 under the leadership of Mr. Pridi Phanomyong, a senior statesman. Mr. Prasoet went back to school and studied political ideology at Thammasat University.

In 1937 Mr. Prasoet ran for a seat in parliament from Surat Thani and won election. In 1938 and 1946 he continued to carry out his duties as a legislator in parliament. And he became interested in socialism.

In 1946 he announced his intention of forming the Communist Party of Thailand. He announced this at a

time when the 1933 Anti-Communist Act, 1935 revision, was being repealed. But there was a coup that same year.

#### **Fled to the Soviet Union and China**

As a result of the coup, Mr. Prasoet's life was in danger. Thus, he fled to the Soviet Union. In 1953, after the change in government in China, Mr. Prasoet left the Soviet Union and went to China, where he formed the Communist Party of Thailand (CPT) in cooperation with other important communist leaders such as Mr. Phin Bua-on, Mr. Ruam Wongphan, Mr. Song Naphakhun, Mr. Sak Suphakasem, Mr. Thong Chaemsi, and Mr. Wirat Angkhathawon. But his life in the CPT was not smooth. He had serious conflicts with other party leaders, because he was an independent thinker. Also, he was a nationalist who made a great effort to ensure that Thais would control the party. But other party leaders opposed him, and China began to direct things within the CPT. Thus, Mr. Prasoet found himself isolated, and in 1960 he returned to Thailand. As soon as he crossed into Thailand, he was arrested by the dictatorial government of Field Marshal Sarit Thanarat.

#### **Ideas Proposed Through Government Officials**

Mr. Prasoet was imprisoned for three years. During that time, through several Special Branch Police officials and soldiers, he proposed ideas for changing the administrative system and for defeating the communists. After the Communist Activities Suppression Command and the Internal Security Operations Command (ISOC) were established, Mr. Prasoet was asked to serve as an adviser and had an excellent opportunity to propose his ideas.

The path that he proposed was the path of free democracy. He advocated having politics lead the military in the struggle to defeat the communists, because resolute suppression could not defeat the communists. He proposed the "three don'ts," that is, don't kill, don't abuse, and don't arrest. He proposed allowing people to demonstrate freely and urging people to join in developing Thailand. People had fled into the jungle and joined the CPT in order to flee the threats of the dictators. This was an ideological conflict; they were not criminals.

After the dictatorial government of Field Marshal Sarit Thanarat left office, the government of Field Marshal Thanom Kittikhachon came to power, and the United Thai Peoples Party was established. Mr. Prasoet was an important force in formulating the party's policies in cooperation with Mr. Yuang Yiamsila. This was done though General Sawaeng Senanarong, who played an important role in that administration. In particular, Mr. Prasoet proposed separating legislative power from administrative power.

At the same time, he propagated "democracy" and the idea of having politics lead the military in the struggle to defeat communism. Those who studied the ideas of Mr. Prasoet included Police Major General Ari Karibut, Colonel Han Phongsitthanon, General Chawalit

Yongchaiyut, General Han Linanon, and the Democratic Soldiers group. However, associating with Mr. Prasoet and studying his ideas did not mean that these government officials favored socialism. Rather, they were studying ways to defeat the communists. This was a matter of "learning about them and about ourselves." Because if we didn't have any knowledge about the ideas and internal problems of the CPT, we would have been "blind," and it would have been difficult to defeat the communists.

#### **Convert the Ideas to 66/2523**

From the crystallization of ideas and the experiences in fighting the communists, it was realized that suppression activities, or armed struggle, alone would not be sufficient to defeat the CPT. There was only one way to defeat the communists and that was to wage a peaceful struggle against them. The government issued Office of the Prime Minister Order 66/2523, which called for shifting from an armed struggle to a peaceful struggle, that is, having politics lead the military. The person who signed this order was General Prem Tinsulanon, the prime minister at that time.

During the period that General Han Linanon served as the commander of the 4th Army Region, Order 66/2523 was adjusted to the situation in the south to form the Tai Rom Yen policy. Using this policy, General Han succeeded in reducing the intensity of the struggle with the communists. He clearly announced that communism would defeat dictatorship but that democracy would defeat communism.

#### **The Birth of the Democratic Soldiers**

When General Kriangsak Chamanan became prime minister in 1978, there were two military groups that played a Major role in terms of both power and ideology. One was the Young Turks and the other was the Democratic Soldiers. The leaders in the Young Turks group included Major General Manun Rupkhachon and Colonel Prachak Sawangchit. As for the Democratic Soldiers, based on his research, Dr. Chaianan Samutwanit has said that the leaders of this group were Major General Rawi Wanphen, Major General Chawalit Yongchaiyut (his rank at that time), Colonel Chawat Phisutthiphon, Colonel Prayot Thawonsiri, Colonel Suban Saengphan, and Colonel Prasit Nawawat.

The Democratic Soldiers group was influenced ideologically by the ideas of Mr. Prasoet and exerted pressure to have Order 66/2523 implemented. They were supported by Lieutenant General Han Linanon (his rank at that time) and Major General Chawalit Yongchaiyut, who was close to and who gave advice to General Prem Tinsulanon.

The Democratic Soldiers propagated their ideas through TAWAN MAI, a weekly magazine. Mr. Prasoet wrote an article entitled "Democracy" using the pen name Suriya and an article entitled "The Young Turk Movement"

using the pen name Surayan. Major General Rawi Wanphen, using the pen name Thong Yosaeng, wrote the column "Mass Talks."

Besides this, the Democratic Soldiers also issued many announcements, most of which concerned ways to solve the nation's problems. But in November 1981, the Democratic Soldiers group announced that it was disbanding. Following that, Major General Rawi founded the Thai Peoples Party in cooperation with Major General Prayot Thawonsiri. Later on, General Athit Kamlang-ek became party leader. Mr. Prasoet founded the Democratic Labor Party. But the party was a failure and eventually became the National Revolutionary Council, or "Joke Council" as it was called by the mass media and state apparatus.

Mr. Prasoet was the one who fostered the idea of waging a peaceful struggle against the communists and played a Major role in defeating the communists. Today, Mr. Prasoet, who is now 77 years old, still leads a simple life. He does not own a house or have a family. He does his own cooking, except on days when former students come to visit him and help him do the cooking. But even though he played a role in the struggle to defeat the communists and prevent Thailand from being lost, the state has now charged him with being a "rebel" and put him in jail.

Mr. Prasoet knows that he is being harassed by government officials and CPT leaders, who are playing a role in the government through close associates of government leaders, and no one can protect him.

#### **The Third Manifesto of Mr. Prasoet Sapsunthon on a Referendum To Establish a Democratic Administration**

I would like to submit this manifesto primarily to the government, and I would like to submit some sections to the people.

1. The Thai nation is a lofty permanent nation. As historians and archaeologists have said, Thais love freedom and nonviolence and know how to coordinate interests. Moreover, Buddhism is the national religion. The Buddha converted the "nonviolence and nonexploitation" of the Hindus, which was nonviolence of being, to nonviolence of nonbeing. For this reason, the nonviolence of the Thai nation is higher than that of other countries. Thais lead other peoples of the world on the path of nonviolence. If Thailand has a democratic form of government, it will be able to help the world in fostering peace and human brotherhood. Thus, the Thai government must take the lead in practicing Buddhist nonviolence. At the very least, it must follow the example of the king in waging a political struggle as I have suggested.

2. Today, the people are adhering more and more to nonviolent struggle and turning more and more to Buddhist nonviolence. But the people can't wage a nonviolent struggle by themselves. The government must do this, too, if results are to be achieved. If the people

practice nonviolence but the government practices violence, that will be like clapping with one hand. Instead of having peace, there will be violence. The people are becoming quite concerned about this. This is reflected in the newspapers, which want the government to change its methods and resolve the political conflicts with the people.

3. Nonviolent methods have definitely achieved results for the Thai government. Proof of this is the fact that I and political and regular government officials have cooperated in carrying out things. I can confirm this. The struggle to defeat the communists succeeded using non-violent methods, including the principles that I proposed to a previous administration, that is, "don't kill, don't abuse, and don't arrest." And there was Order 66/2523, which called for switching from an armed struggle to a peaceful struggle. I ask the present government to study the example set by previous administrations in achieving results using nonviolence.

4. One form of nonviolence is democracy, and one manifestation of democracy is listening to the views of the people. I do not feel that the present administration is listening to the views of the people. At the very least, it has not considered my ideas, and I am a citizen. When I submitted my ideas to previous administrations, they considered my ideas and put them into practice, achieving good results. I have been submitting ideas to Prime Minister Chatchai concerning various important problems since 5 September 1988. But he has never considered my ideas even though he has said that he has things he wants to discuss with me. I continue to adhere to what the king wrote in a letter. The king wrote that he would not confer power on any person or group who "refused to listen to the people." He said that that was dictatorship. Thus, in the interests of the nation, the people, and the government, I ask the prime minister to consider my ideas.

5. Previous governments succeeded in maintaining national security, particularly in two important instances. In one case, measures were taken to prevent Thailand from becoming a second Vietnam during the Indochina War. In the second case, the civil war was brought to an end. In that war, many Thais died to ensure that Thailand would be a democracy, which will ensure strong national security. They did not make those sacrifices so that a particular person or group could use peace in the country as a tool for personal profit. Now, there is a crisis of confidence in the government, which could destroy our national security. Thus, I ask the government to fulfill its responsibilities.

6. I would like to tell my Thai brothers that issuing my manifesto is a way of submitting my political views to the people. This has always been my duty in carrying on my political work. This has nothing to do with being arrested or not being arrested. I have used various forms in submitting my political views to the people. In recent years, I have thought about using the manifesto and public opinion forms. I drafted this manifesto a long

time ago, but I wasn't sure when to issue it. Even though I had not issued this manifesto before, I would have had to submit this in court, because it is part of the case in which I am the defendant. And so when I learned that I was going to be arrested, I hurried to issue my manifesto. Because after my arrest, I might not have been able to issue it. Thus, I issued my manifesto on 18 October. This has had a good effect. The newspapers published many stories about the warrant issued for my arrest. That generated much interest among the people and made them want to read my manifesto. If I had issued my manifesto during normal times, it's likely that few people would have read it. Actually, this manifesto contains things that I have said and written over the past several decades. But few people were interested. Issuing it at a time when there have been many stories about my arrest has produced better than expected results. In just two weeks, more has been achieved than during the past 20 years. People may or may not agree, but everyone knows what my ideas are. Thus, I would like to thank those responsible for my arrest. Some have said that I issued this manifesto in a struggle against state power, the government, and the police. Actually, I was just carrying on my normal political work. That is, I was submitting my political views to the people. This was not aimed at struggling against anyone. I have never fought against this government. I have always asked the various administrations to work with me in switching from a dictatorship to a democracy. As for issuing this manifesto at a time when there were reports about my arrest, besides having good results because this was in line with the situation, now that I have been arrested, I haven't had to do anything. That's because the manifesto, which I issued before my arrest, has already summarized the problems. Regardless of whether I am in prison or not, I must act in accord with the voices of the people, which are like voices from heaven. Besides thanking those responsible for putting me in jail, as I said in my interview with MATICHON on 26 October 1990, I would also like to say thanks for the fact that I really don't have to do any more political work, either in or outside prison. All I have to do is wait to hear the results of the referendum. This will make my life in prison very happy.

Prasoet Prasunthon

30 October 1990

### Police Officers Discuss Corruption, Supply Problems

91SE0035C Bangkok BANGKOK POST in English  
28 Oct 90 p 8

[Article by Prasong Charasdamrong]

[Text] Collection of protection fees from unlawful activities is one means widely practised to offset a lack of funding for investigations and crime suppression by police.

"We don't deny that portions of unlawful earnings go into individual police pockets but the collection of bribes is common," a police major told the BANGKOK POST on condition his name and station were not mentioned.

The officer said it is an "open secret" that police accept bribes from gambling, smuggling and prostitution.

The officer, who has been posted in many districts in the North and Central Plains since graduating, justified the acceptance of bribes because "police have to find money (from illegal activities) otherwise we cannot perform our duties, especially crime suppression."

The officer is now district police chief of a northeastern province.

"The police at many stations nationwide do the same thing—seek funds from unlawful activities," he said.

For a considerable number of upcountry police, the officer said there are three main sources of illegal revenue: operators of underground lotteries, trucks and gambling.

In major district towns, other sources of money could be prostitution and short-time motels.

The amount of money each police station makes varies depending on the size of the illegal operation and the town. The officer said that a district police station 60 kilometres from a northeastern provincial town, for instance, could earn about 10,000 baht a month from bribes.

This amount is shared among officers and, at times, with local administration officials and what he described as "influential people."

Part of the money, however, is set aside as a "central fund" to cover expenses incurred in crime suppression and investigation. Another portion is used for "entertainment."

The officer said one main reason why many police have to take bribes is to pay for their routine work, a practice that is the result of a perennial problem—the shortage of funds for investigation and crime suppression.

The officer claimed police don't have a budget for crime suppression. Even though it is the responsibility of police to arrest criminals, it is difficult for them to claim expenses.

There is a regulation that limits the total expense for investigation in each case to just 500 baht.

"But this expense can be claimed only when a serious crime is involved."

This 500 baht is supposed to cover all steps of their work from the investigation itself to the arrest of the criminal.

"This is very unrealistic. It is impossible for a team of policemen to limit their expenses at 500 baht to solve one serious crime."

If police want to claim expenses, they have to go through considerable paper work.

#### Additional Expenses

A detective spends a great deal of time following clues but cannot claim overtime or ask for a refund for additional expenses.

Often these expenses come from the pocket of the officer in charge or the district station chief himself.

Police officers cannot continue to fork out their own money for expenses.

"Everyone has their own expenses and a family to take care of," he said, adding that the shortage of operational funds is one reason why police cannot solve crimes effectively.

"What can I do when a murderer commits a crime in my district (in the Northeast) and escapes to Hat Yai or Phuket in the South.

"Sometimes we know from people in the village of his whereabouts but how can we travel to arrest him when we have no money?"

And it's not just the cost of transport but food, hotel accommodation and other unforeseen expenses.

"Every time I manage to arrest a criminal I think it is from good fortune rather than skill."

He said many arrests occur "by accident" when police come across a known suspect in the area or when police find out that a suspect who has fled has returned to visit his family.

He said his fellow police acquaintances act in the same manner as he does, choosing to follow up only selected cases of public interest or when ordered to do so—but not all cases.

He admits Thai police are able to solve crimes if they want to—but they would have to arrange the necessary expenses.

"If you are an influential person and a thief took away your television set, police can arrest the thief and bring back the television set.

"But if the victim is an ordinary citizen, the person should not expect the suspect to be arrested or for police to do anything.

"Sometimes we cannot do anything for an ordinary victim who lodges a complaint with us.

"We cannot go out of the district to follow up the criminal—because we don't have money.

"But we can't tell the person we don't have money and we can't ask them to pay for the necessary expenses because it would seem as if we are demanding bribes to perform our duty," the officer said.

Wealthy citizens who are victims of crime sometimes understand and offer to pay for expenses such as taxi fares, meals and accommodation.

The officer said district police stations have a limited number of vehicles to perform their work.

It is not uncommon for a district police station to have only one pickup truck for patrols, sending suspects to court and investigation work, he said.

If the station is responsible for a larger district, it may have more than one pickup.

District police do not have extra or sufficient funds to even maintain or clean the vehicles.

"Sure we can claim a refund but it takes a long time because of official procedures."

#### Maintenance Costs

Under normal circumstances police have to draw money from "somewhere" to pay for maintenance costs. One way is to sell their monthly quota of petrol and use the cash, say for vehicle maintenance.

District police are allocated about 300 litres a month for each pickup truck and can fill up the truck from a specific petrol station which has an agreement with the station.

The officer said the monthly allocation is simply insufficient for police to carry out their duties properly.

The officer reiterated, however, that most extra income is derived from payoffs from illegal operations and activities, adding he believes 90 per cent of local police stations get their extra income in this manner.

For a number of provincial police, the main source of money for investigations is from illegal lottery operations.

"I can assure you most police stations rely on this source of money as top priority."

This is the main source of income in every station to which he had been posted.

"Even in a small village there is a banker for the underground lottery as it is good business with regular customers," he said, adding this weak point in society ironically helps police.

The officer said whenever he was transferred to a different station or province, it wasn't necessary to try to establish a way to get money from illegal lottery operators simply because "they were already there. I would know immediately the identities of the operators.



"What I have to do is send my man (a police private) to collect the money from the illegal operator every month," said the police officer, adding that an average contribution to the district station could be about 2,000 baht a month.

The officer confessed he and his deputies would pocket part of the "contribution"—between 300 baht to 500 baht each while several low-ranking police may get about 100 baht each leaving several hundred baht for the "central (operating fund) fund."

At the end of the month a representative of the truck operators would bring an envelope to the station containing on average about 3,000 baht a month. The money is shared.

In return, these police turn a blind eye to the illegal lottery operators and overloaded trucks. Sometimes illegal liquor distilleries upcountry also have to pay about 500 baht a month.

"It is understood that this money is to help shoulder police expenses against the distillery following complaints."

The officer said he does not view these vices as serious crimes but believes that taking bribes to allow a gambling den to open up is more serious and, for him, needs serious thought.

"Other police have done this but not me. It's too dangerous."

The officer said revenue from a gambling den comes under a different category and must be shared with "other people outside the station" such as district officers.

"There have been cases where the local police have to allocate a portion of funds from gambling dens for school teachers, community leaders or local influential personalities," the officer said.

If the district officer is not paid, then he is in a position to cause trouble for the police, the officer said, adding that since the money had to be shared by many people, a district station chief's share may only be about 50 baht a day.

Even if the bribes are shared, the station chief runs the main risk because if things go wrong and the practice becomes public, the station chief bears full, and perhaps sole responsibility.

"I can face transfer and disciplinary action. Nobody can help me.

"But people in provinces love gambling so much. I sometimes give them a nod—but only on special occasions such as a community fund raising drive."

The officer admits he once allowed "free-gambling" to take place for a day or two to raise funds to build a pavilion for a temple.

"There was no problem because everyone knew that the police didn't pocket a single baht (in that case)," the officer said.

"More importantly, people love you (for allowing illegal practices to occur). It is a kind of psychological warfare to win people's hearts," he said.

#### **Collections Help Offset Personal 'Sacrifices'**

Compared to their provincial counterparts, Bangkok's finest are much better off. Yet they face the same problem.

There are no funds allocated for investigations, limited and clearly insufficient allocations for fuel, a shortage of patrol vehicles and communications equipment.

There's no overtime paid either.

The only major advantage a number of Bangkok police have is that their share of funds derived from monthly collections from illegal activities is larger. But even in Bangkok there are differences from one police station to another.

For a number of stations it is unavoidable for police *not* to seek extra funds simply because part of this goes to operational costs of investigating a crime—the major and most important task of police, senior police sources said.

But not all top police officers in the city pocket their share of collections, these sources said.

The method of collection is divided along the three major lines of command—crime suppression, criminal investigation and traffic, they said.

For stations involved in collection efforts, the crime suppression line is responsible for overseeing the bars, nightclubs and restaurants—all of which are legal operations but can be involved in breaking regulations such as staying open after hours.

Usually low-ranking officers in this line of command make the collection, the sources said.

The line of command responsible for criminal investigations handles collections from all illegal activities, such as illegal lottery operators, illegal snooker halls, smuggled cigarettes and liquor operators and prostitution.

In certain stations, the traffic line of command makes collections from illegal minibuses, motorcycles and trucks.

Once the collections are made, a portion is set aside for operational expenses, particularly expenses for criminal investigations.

For each case, funds from the collection will be given to individual investigating officers for use in paying for food, transport and at times accommodation.

"Each time police investigate a case, considerable amounts of money are spent. Sometimes police follow cases for months upcountry and costs rise," one officer said.

"Often individual police have to make personal sacrifices and fork out their own money to do the job."

The share of some investigative officers from collections could range between 2,000 and 3,000 baht a month while low-ranking personnel could get between 300 and 500 baht a month, the sources said.

#### 'Extra Income'

It is almost impossible to estimate how many stations are involved in the practice from the monthly collections but one or two stations are known to collect an average of one million baht a month, the sources said.

For some officers who refuse to accept the "extra income," there's no problem as their portion is simply put back into the operational fund.

Not all top police officers accept their portion of the collection. These officers simply put their share back into the operational fund or use their portion to upgrade the station or provide facilities for the general public.

These officers are able to refuse their portions either because they come from wealthy family backgrounds or have married into wealthy families, the sources said.

But there are also a number of senior officers who set aside more than their fair share.

Apart from criminal investigations, some of the collected funds are used to pay for petrol for patrol cars and patrol motorcycles. One patrol car is limited to 300 litres of petrol a month, insufficient for police to carry out their duties effectively, the sources said.

Many police interviewed also agreed that another major problem is the lack of funds to acquire vehicles and motorcycles to be used for patrolling city streets.

Funds for radio communications equipment are also lacking, the officers said.

Often police have to ask for help and donations from local businesses or gold shops in their areas to buy radio equipment. Some local banks have also contributed.

On other occasions local businesses donate a car or even a number of motorcycles to a local station following a request for help.

While collections from illegal operations are also illegal, officers urged understanding for a large number of policemen whose salaries are low, adding that low-ranking police officers manning a station late at night or going on late night patrol does not get overtime.

"It is considered part of their duty," one officer said.

In a sense, the public in general benefits to a certain extent from these collections because the funds are used to investigate crimes or to keep patrol vehicles in operation and maintenance, the officers said.

But because the system has become generally accepted practice it would be difficult to change unless salaries of low-ranking police were greatly increased, said others.

The fact that there is a shortage of equipment such as vehicles, motorcycles and communications equipment for all policemen is another factor which affects the efficiency of the force, officers said.

#### Academic Expert on Army, MP Profiled

91SE0035A Bangkok BANGKOK POST in English  
27 Oct 90 p 21

[Text] "They said I must be a combat professor," Dr Kanala Sukhabanij-Khantaprab said proudly of the occasion when she was the only woman among a group of commanding officers invited to tour U.S. bases in the Asia-Pacific region, not so long ago.

She seemed very fond of the title bestowed on her by impressed commanders during that tour.

Beyond that, Dr Kanala described herself as a "splashy student" of Chulalongkorn University's Political Science Faculty, who would later become "political scientist," "women's libber," and most recently, "accidental politician."

To other observers, she's "female Rambo," who has tried her hand at warfare training, and "a pro-military lecturer."

The 44-year-old mother of three has occupied the media since the second week of this month after spearheading a move to present an open letter calling on Prime Minister Chatchai Chunnawan to resolve the crisis of confidence in his administration.

She managed to gather 205 signatures in support of the letter, which she instigated out of "earnest concern over the current political situation, without any ulterior motive or destructive intent to undermine democracy." But critics said her letter was meant to be an invitation for a military take-over.

The media glory, she discovered, has its repugnant side. She had barely had time to catch her breath over the open letter affair when she became the target of a string of below-the-belt attacks the morning after.

She replied that she could take constructive criticism, but what angered her most was that "certain attackers did not present any substance, yet instead poked their noses into my personal life, digging out all those sex scandals."

The campaign to discredit her included an appeal allegedly from students urging her to mend her waywardness

and return to the classroom. This, she said, was master-minded by "those closely associated with the powers."

All hell broke loose over a period of three days, climaxing in her decision on Friday, 12 October, to accept the Prachakorn Thai Party's offer to run in the forthcoming by-election in Bangkok's constituency two.

"I had been bullied. Now I have decided to take the plunge, to stand up and fight."

The controversy surrounding Dr Kanala may all be traced back to her intimate ties with—and admiration for—the *thaharn*.

Military affairs first captured her imagination while she was pursuing her education in the United States after graduating from Chulalongkorn University.

"My father was a historian who had always hoped that I would follow his footsteps," she said. "As soon as I graduated from Chula, he enrolled me at the American University in Washington."

With a master's degree in Asian studies, she applied to study at the State University of New York in Binghamton, where she pocketed another master's and then a doctorate in international relations and comparative politics.

She recounted that her adviser took pride in her for being the first female student to complete doctoral studies in that field.

"While in the States, I developed keen interest in political issues. Besides, I would always find myself delving into the role of the military in politics," she said.

The magnetic effect of that subject has never lost its hold on her. Rather, it has tended to draw her in more closely to the institution in her lecturing career.

Back in Bangkok in 1977, Dr Kanala began teaching at her alma mater. "My friends and colleagues were quite surprised to see me back there. They remembered this splashy student who drove a fast car to school. I made a little history by being a drum majorette and an academic success—most of the drum majorettes failed in their studies."

The list of the men in green she has become acquainted with seems endless after all those years when she got herself involved in an assortment of military-related "academic activities" that ranged from introducing military science to the faculty's curriculum in 1983-1984; teaching at the Armed Forces Staff College; teaming up with her colleague Dr Suchit Boonbongkarn in military affairs research.

"Acharn Suchit and I only associate with democratic-minded soldiers, or the retired ones. There's nothing wrong with that," she said.

Recently, she studied at the Army War College for eight months. And she had to quit her studies at the National

Defence College upon resigning from her academic post to stand in the coming election.

"These activities led me to associate with soldiers all across the country, during field trips that I took my students on in the course of my research work. I drove tanks. I did tower jumps. I fired rocket-propelled grenades. I did everything every soldier has to, because I was told that if you want to know the *thaharn* well, then you have to do what they do."

Dr Kanala worked with Governor Chamlong Srimuang when he was a colonel and secretary-general to then Prime Minister Prem Tinsulanonda for a year from late 1980.

"That was my introduction to politics," she said, adding that she was then responsible for "screening political works, all the domestic and international issues for Col Chamlong, restructuring the Prime Minister's Secretariat and attending Cabinet meetings sometimes alternately with Gen Prem's key aide Col Surayuth Chulanonda."

When Maj-Gen Chamlong, whom she felt "happy to work with," resigned his post to pursue his anti-abortion law crusade, she left too.

"I was the only member of Col Chamlong's staff to leave, although his successor, Lt-Gen Chantrakupt Sirisuk, asked me to remain in the team."

On her relations with other army big-shots, she had this to say:

"*Phi Jiew* (former Army Chief Gen Chavalit Yongchaiyudh) had been very helpful and cooperative to me and my academic activities..."

"My seven-year-old son called *Phi Jod* (Supreme Commander Gen Sunthorn Kongsompong) Pink Panther. He knew it and even laughed at this nickname..."

"Gen Panya (Singhsakda, former secretary-general to Prime Minister Chatchai Chunhawan) was among the students in the first class I taught at the Armed Forces Staff College."

Her academic liaison with men in green over the years helped her to see that soldiers are in the process of "gradual, voluntary withdrawal" from politics, and seeking to play a proper tune as "defenders of political security."

"We have to admit that the Army has adjusted considerably in its ideology and perception. It is in the process of withdrawing from civilian politics. However, being a mammoth organisation with an intricate hierarchical structure makes its movements rather slow. It's undergoing a transition, backing away from the civilian domain it used to trespass on sometimes. Let it pull out with dignity, of its own will, for the sake of democratic evolution."



Dr Kanala nevertheless admitted that she could not envisage the Thai military taking its hands completely off civilian politics in her lifetime.

Absolute segregation of military affairs and civilian politics is still not possible within Thailand's present political culture, which is characterised by rampant vote-buying and corrupt politicians.

"The Army's perception of democracy in the country prompted this withdrawal. The military is undergoing a soul-searching exercise to define how it can defend political security," she said.

The civilian segment, she added, still needs the military's "guiding role in a constructive manner" to check misconduct in the political arena.

Dr Kanala maintained that she was deeply attached to her teaching job.

Meanwhile, she made no bones about factionalism among university lecturers, which she sees as only natural.

"Factionalism prevails everywhere. It's been so for years, in terms of ideology, stance, and connections. This is normal. A uniformity of views among academics is more dangerous...

"There are plenty of anti-government academics, as well as those serving the Government. If they choose to serve the powers that be in order to accomplish their objectives, then it's their right. But to serve the powers that be and to attack their counterparts who come out and fight in the open is a sheer dirty deed," she said.

It's her feeling of being swept along in the torrent of unexpected events unfolding that drove her into politics. She insisted that she had no political ambition at all.

"When I decided to contest the polls under the Prachakorn Thai banner, I heard this accusation that finally the truth had come out, that Dr Kanala was calculating a political entry through the open letter show. Well, when the blood got into my eyes, when I was bullied from all sides, how could I not take this offer to fight? I'm not the type to go home and cry."

Prachakorn Thai's policy of championing a greater role for women in politics corresponded with her stance as a "women's liberator."

"I've always taught my female students that as modern Thai women, you must study as far as you can and contribute to society because you are equipped with courage, honesty, integrity, and above all a maternal instinct which makes you more sensitive and sympathetic to others," she said.

Asked whether she would go back to teaching, Dr Kanala said she had not made up her mind.

"I don't mind if I lose in this election. It will be a learning experience for me, anyway. I can write a book, and teach my students about it."

### Changes in 2nd Army Region Order of Battle

91SE0030B Bangkok LAK THAI in Thai  
29 Oct 90-4 Nov 90 pp 10, 11

#### [Text] From a Reserves Division

We went to Korat and obtained important data about the 2nd Army Region. There has been a reshuffle at the general officer level, and there have been changes in both divisions. That is, Major General Banthao Yaiket, the commander of the 3d Infantry Division, has been promoted to deputy commander of the 2nd Army Region, and Major General Chetsatha Thanacharo, the commander of the 6th Infantry Division, has been appointed deputy commander of the 1st Army Region. Major General Somphan Bunkangwan, the commander of the 12th Infantry Division, has been made commander of the 3d Infantry Division. Major General Prasoe phakcharoen has been promoted from deputy commander to commander of the 6th Infantry Division. He will also serve as commander of the Suranari Force. It's worth noting that officers from the 12th Infantry Division, which is a reserves division composed of the 121st and 122nd Infantry Regiments, have taken command of the 2nd Army Region's divisions. That is, Major General Somphan Bunkangwan once served as the commander of the 13th Infantry Regiment at the Prachak Silapakhom Camp in Udon Thani Province during the time that Lieutenant General Bunthaen Nianchaloei was the commander of the 3d Infantry Division. Later on he was promoted to commander of the 12th Infantry Division. As for Major General Prasoe Phakcharoen, he served as the commander of the 121st Regiment of the 12 Infantry Division during the time that Lieutenant General Phanit Pansithong was the division commander. In this reshuffle, Major General Somphan has made a lateral shift from one division to another. Major General Prasoe has been promoted from colonel to major general. Both had been "waiting" in a reserves division, that is, the 12th Infantry Division.

#### The Northeast's Large Divisions

As for the 3d Infantry Division, which controls the upper northeast, and the 6th Infantry Division, which controls the lower northeast, the 3d Infantry Division was formed first. This division is an old unit that is composed of three regiments: the 3d Infantry Regiment, the 8th Infantry Regiment, and the 13th Infantry Regiment. There are also other units that are directly subordinate to this division. These include the 8th Cavalry Battalion, the 3d Artillery Regiment, the 3d Engineers Battalion, the 3d Communications Battalion, and the 3d Medical

Battalion. The 6th Infantry Division, which is based in Roi Et Province, is composed of the 6th Infantry Regiment in Ubon Ratchathani Province, the 16th Infantry Regiment in Yasothon Province, the 13th Infantry Regiment in Nakhon Ratchasima Province, and the 6th Artillery Regiment in Roi Et Province. Other units directly subordinate to the division include the 21st Cavalry Battalion, the 6th Engineers Battalion, the 6th Communications Battalion, and the 6th Medical Battalion. Each of the infantry regiments, with the exception of the 16th Regiment in Yasothon, is composed of four battalions. The 16th Regiment is composed of three battalions, two based in Yasothon and one based in Roi Et. A news source said that these infantry divisions in the northeast are quite large. If the 3d Cavalry Division, which is in the process of being formed, is assigned to this army region, the forces of the 2nd Army Region will be larger than those of the 3d Army Region and about equal to those of the 1st Army Region, which is composed of three infantry divisions. As for regimental level units, the 7th Infantry Regiment of the 3d Army Region is the largest regiment with five infantry battalions. Three of these are based in Chiang Mai, and two are based in Mae Hong Son.

### Unions Make Minimum Wage Demand

91SE0030C Bangkok LAK THAI in Thai 5-11 Nov 90  
p 4

[Text] Five labor unions held an all-day meeting and issued a resolution calling for an increase in the minimum wage from 90 baht to 112 baht a day. They feel that the price of goods has risen sharply. In calling for an increase in the minimum wage, they used data in the 7th National Economic and Social Development Plan, which states that by the end of this plan, per capita income will be 200 baht a day.

As for why they made this demand in November, they said that they wanted Prime Minister Chatchai Chunchawan to authorize this as a New Year's gift to employees. But the government will have to control the price of consumer goods, utility prices, and bus fares. If it can't, there will be demands for another increase in the minimum wage. That is, the minimum wage will have to go higher than 112 baht per day.

At the same time, the Employers' Council has responded by saying that it does not agree with this proposal. It will probably insist on waiting to raise the minimum wage until next April.

## MILITARY

### Nguyen Quoc Thuoc on New Defense Tasks

912E0017B Hanoi QUAN DOI NHAN DAN  
in Vietnamese 10 Sep 90 p 2

[Interview with Lieutenant General Nguyen Quoc Thuoc, a member of the CPV (Communist Party of Vietnam) Central Committee and the commander of Military Region 4, by Mai Nam Thang and Dao Van Su; date and place not given]

[Text] [Thang and Su] The provinces in Military Region 4 recently held zone defense exercises to examine the new mechanism concerning party leadership and the national defense tasks in the new situation. Would you tell us about the most important results achieved by the localities in these zone defense exercises?

[General Thuoc] The most striking thing about the defense zone exercises was the problem of building and solidifying all-people's national defense and building a strong rear area to satisfy the defense requirements given under the centralized and unified leadership of the party committee echelons, management of the authorities, and unified command of the military organizations. In short, the new mechanism has been established and has continued to be solidified in state management activities and economic and social management activities. Based on the basic defense plans of the provinces, the functional sectors have formulated wartime mobilization plans based on a spirit of coordinating the economy with national defense and national defense with the economy. Another notable result was the change in understanding and sense of responsibility of the party committee echelons, authorities, sectors, and echelons regarding local military work. Previously, a number of places regarded building defense zones as the work of the military sector. That is no longer the case.

[Thang and Su] At the conclusion of the defense zone exercises of the provinces, what policies and measures will the military region implement in order to exploit the results achieved and to continue solidifying the defense zone in the new situation?

[General Thuoc] The exercises of the provinces have exposed a number of shortcomings that must be examined and promptly corrected at the conclusion of the exercises. A rather widespread shortcoming is that the staff capabilities of the military organizations are limited. When serving as the staff for the party committee echelons and authorities in switching economic and social activities from a peacetime to a wartime footing, many places are confused or do not do the appropriate thing. This is because many military cadres lack technical and economic and social management knowledge. To overcome these weaknesses, the military region recently ordered the provincial and district military commanders to actively study things, contribute ideas to formulating economic projects at the localities, and increase their knowledge about the economic and social

sectors. The military region military school and the provincial military schools have added subjects on state law, social control, and economic management, and they have invited specialists from other schools and bases to come give lectures.

Along with the measures for strengthening the ranks of cadres, particularly the primary level cadres, the military region has also advocated shifting the focus of guidance and concentrating on building strong bases, with the most important theme being to build "combat villages" in order to strengthen zone defense capabilities.

[Thang and Su] Why has the military region chosen building "combat villages" as the key element of building strong bases, and why does it regard that as the most important measure in strengthening zone defense capabilities?

[General Thuoc] For many years now, Vietnamese villages have existed as the smallest administrative unit, and they have rather stable traditional structures. Today, the village is still the smallest administrative unit. Control extends to each household and person. The village directly implements the positions and policies of the party and the laws of the state. Because of our limited geographical, economic, and cultural conditions, in many places the positions and policies of the party have not reached the primary level. If the villages are weak economically and socially and if they are weak with respect to security and national defense, it will not be possible to build strong provincial defense zones. If the people are not at ease and if their living conditions are poor, it will not be possible to have a strong militia with the ability to satisfy the requirements and fulfill the tasks. Because of this, the Military Region 4 party committee has decided to concentrate on building "combat villages." This is regarded as the most important measure for strengthening zone defense capabilities. In Military Region 4, during the resistance for national liberation, under the leadership of the party there were many excellent combat villages which were known throughout the country. Those are good examples, and they have much valuable experience. However, in today's situation, the "combat village" concept has changed because of the new requirements and themes and in accord with the new situation.

[Thang and Su] Would you clarify the concept of "combat village" in the new situation and discuss the requirements and contents of building "combat villages" in the present stage?

[General Thuoc] First of all, the phrase "combat village" is just a concise phrase. It actually encompasses subwards, mountain villages, organizations, enterprises, hospitals, schools, and so on. In short, this encompasses all primary level units. Building "combat villages" is an element in changing the direction of guidance, carrying out the national defense tasks at the primary level—the foundation of the district (ward) and provincial (municipal) defense zones.

During the previous resistances, the "combat villages" were the foundation of people's war to resist aggression and liberate the fatherland. At that time, the enemy came mainly from outside the country. Today, defense villages are being built as part of the defensive strategy. They will be prepared for combat to resist aggression and have the capabilities to deal with the combat changes stemming from a very complex political, economic, social, and security situation. The strong combat villages must maintain political stability at the primary level, defend the party and primary level authorities, and protect the lives of the people. Thus, building "combat villages" really means building the primary level so that it is strong in all respects, that is, politically, economically, culturally, and socially and with respect to security and national defense. The strength of the combat villages is the integrated strength of the strong primary level party organizations and dynamic mass organizations, of the solidarity and confidence of the people, and of the militia and self-defense forces, which are combat units and work and production units. Finally, I would like to say that combat villages must be built based on the links of the defense zone in close coordination with the public security and border defense units and neighboring villages in order to create integrated strength and have unified will power and action, avoid local thinking, and contribute to protecting the "hot spots," such as in a few places in the past period.

[Thang and Su] Thank you.

### Naval Units Engaged in Economic Tasks

912E0018B Hanoi QUAN DOI NHAN DAN  
in Vietnamese 24 Sep 90 p 3

[Article by Nguyen Duc Son: "Policies and Measures That Must Be Resolved"]

[Text] In Vietnam we have large areas of ocean and rich natural resources in and under the seas. The coastal provinces of our country have also achieved initial successes in exploiting marine products (including processing and exporting) and have earned a considerable amount of foreign exchange. In participating in that joint economic construction, between 1986 and 1990 the naval units specializing in economic work, despite many difficulties regarding investment capital, prices, materials, and the management mechanism, have made many all-out efforts to fulfill the annual plans. Faced by the new situation of changing over completely to economic accounting, eliminating subsidies, gradually reorganizing production, changing production sectors and management methods, tying in production with the market, and partly overcoming the situation of "artificial profits and real losses," the Bien Dong marine products corporation has maintained production and provided work for the cadres and workers. However, production is still encountering many difficulties (it is dependent on the fishing grounds, the weather, the technical level, hang-ups caused by red tape, etc.) and

there are still many deficiencies in production administration and management, so economic effectiveness is not yet high. Some units have not yet resolved their difficulties, operate at a loss, and do not yet have appropriate working methods. In addition, some customers are demanding changes in the pricing method in order to attract supplies of goods and ensure production in future years.

The "Naval forces participate in maritime economic work" seminar set forth initial "signals" regarding economic work at sea. That seminar did not deal with increasing self-sufficiency production.

Opening the seminar, Vice Admiral Hoang Huu Thai, acting commander of the Navy, said, "In the present economic development situation we must provide for ourselves. In order to do that, we must have money and must do economic work."

The actual situation has shown that in the past the naval forces did economic work but it did not correspond to the existing capabilities. Comrade Hoang Dinh Kim, director of the Bien Dong marine products corporation, contributed many opinions. He said that the market must be determined before the work is determined. The Navy must form a basic economic component with a long-range strategic significance.

The head of the Naval Technical Department said that with regard to industrial production, recently we have changed the mechanism over to economic accounting. The naval enterprises have truly undergone changes. The commercial incomes of the enterprises are considerable. In 1989 a number of factories were not very profitable (they were primarily concerned with providing jobs.) In the economy, we still did not perform in correct accordance with our function and the norms that were assigned were not very accurate. As regards economic production, this year we will endeavor to attain a value of more than 23 billion dong (the Ba Son factory will attain 20 billion, including 16.3 billion dong in foreign exchange.) Especially, it is necessary to assign specific norms regarding military production and foreign trade must account for 20 percent of income. During the coming 5-year plan (1991-1995), the total income goal is 135.7 billion dong (for the Ba Son factory the goal is 112 billion dong.) The economic sector of the armed forces branch will receive 9.5 billion dong (minus the various kinds of depreciation) and the military sector will receive 2.7 billion dong. The other factories must pay 500 million dong annually.

As regards the Navy, the maritime economy is very rich. In the northeastern sea area, with regard to the harvesting of abalone in 1990, the capital invested amounted to 120 million dong (including equipment, machinery, and additional allowances for personnel.) On the average, by using machinery each person caught 15 kilograms of abalone a day. The period during which much abalone is harvested is from April to August. In 1990 the area is endeavoring to earn 100,000 dollars

(equal to 600 Vietnamese dong.) If the weather is favorable, that figure will be attained, for as of 10 July of this year 15 tons had been harvested (six tons more than during the same period last year.) This year we are doing a better job of managing abalone and are ensuring that export standards are attained. Furthermore, the area caught 30 tons of fish to make fish sauce (it was dried to make food reserves for the troops.) At times about 40 to 50 local boats from such southern provinces as Binh Dinh, Quang Ngai, Thuan Hai, etc., come to Bach Long Vi island to catch fish, but their catches do not equal those of Hong Kong or some of the cooperatives in the north of our country. Therefore, a problem that is posed is to improve fishing techniques.

As for economic work in the Spratly Archipelago, the commander of Tactical Region 4 said that in the course of catching marine products in the Cam Ranh area deputy chief of staff Trinh caught two quintals of clams (customers from Khanh Hoa go to the island and pay 20,000 dong per kilogram of them.) Representatives from Phu Yen, Khanh Hoa, Thuan Hai, etc., attended a meeting to recapitulate that harvesting activity. Everyone concluded that the harvesting of marine products in the Spratly Islands is still proceeding well. It would be very beneficial economically if the Bien Dong marine products corporation went to the Spratlys to produce on a trial basis for a month (sharks could be caught for their fins and liver.) At present there are many sharks in the area of Da Lat, Thuyen Chai, and Da Tay islands.

Thus the Bien Dong marine products corporation should make the Spratlys one of its key fishing grounds (clam meat can bring five to seven dollars per kilogram.)

With regard to harvesting and processing marine products for export, the Bien Dong marine products corporation must concentrate on its mission of catching marine products and continue to promote and develop the new sectors and trades that are appropriate to the requirements of production and the market. The corporation must also guide, and assist with regard to technical equipment, the units harvesting the various kinds of specialty products. If is necessary to expand alliances and joint operations with foreign corporations, seek investment capital to expand production, assimilate technology, new sectors and trades, market information, and methods for effective organization and management, and increase jobs for workers and the forces operating at sea. Production activities must be extended to the necessary areas (Bach Long Vi, the Spratlys, the southwest, etc.) It is necessary to improve the administration and management of production, create conditions for bringing into play the dynamism of the basic level in production and commerce, and be responsive to the market in order to create economic effectiveness and create a hard core for the forces exploiting marine products. Sources of goods must be concentrated in the corporation in order to create economic effectiveness.

The principal measures that were set forth were investment in the production units with markets and customers; concentrating on new products, new technology, new sectors and trades, and modern techniques with high economic effectiveness; assigning national defense plans to the economic forces which fulfill both economic and national defense missions; and implementing the economic accounting management mechanism for the units specializing in economic work.

However, in doing economic work we cannot neglect the missions of training, defending the sovereignty of our territorial waters and maintaining combat readiness, and countering violence. Those three missions must be fulfilled together and in a unified manner.

## ECONOMIC

### Participation in Taipei Fair Strengthens Ties

912E0027A Ho Chi Minh City SAIGON GIAI PHONG  
in Vietnamese 17 Sep 90 p 2

[Article by Vo Han Lam: "Participation in Taipei Import Fair 90 (TIF 90): Potential Cooperation, Investment in Production, and Market Expansion for Vietnamese Goods—Exhibits Attracting Many Foreign Businessmen, Guests"]

[Text] The Ho Chi Minh City delegation taking part in Taipei Import Fair 90 (TIF 90) totaled 23 people.

From the opening to the end of the fair, the municipality's six pavilions always attracted foreign guests and businessmen partially because of our graceful and gracious ladies dressed in ao dai's [female traditional garment] but mainly because of the products exhibited there, which created opportunities for deals and business. The ARTEX SAIGON pavilion, which exhibited lacquer paintings, pottery, woodcuts, paintings made of stone pieces, tortoise-shell and ivory articles, bamboo screens, and so on, always was the gathering place for many visitors, especially women. A Taiwanese company agreed to buy all of the exhibited lacquer paintings and to go to Vietnam after the fair to sign more contracts. Another company expressed the desire to buy from Vietnam 2-3 containers per month of bamboo screens. Two Venezuelan firms, in addition to buying three sets of mother-of-pearl paintings and lacquer painting samples, enthusiastically offered to set up long-term business relationships involving large volumes of production.

Two "pretty women" of the SAVIMEX pavilion also were constantly surrounded by foreign customers-admirers because the pavilion exhibited many products made of wood and of attractive, rare, and precious forest products, such as boa skin, sandalwood, and so on. In addition to hundreds of customers who came to seek information and to exchange ideas, 39 foreign units placed orders and proposed contracts for purchases of sawed timber, partially and fully processed lumber, round wood, floor planks, wood used to make pulp, boa



skin, sandalwood, and so on; two foreign units wished to invest in wood processing in Ho Chi Minh City. Many foreign companies wanted to place orders to purchase rice, mung bean, sesame, cashew, whole pepper, and so on, and expressed a special interest in such products as frozen shrimp, dried squid, shark's fin, sea cucumber, sea horse, and so on. Other products like cactus, melon, coconut, cabbage, and so on also were suggested by some businessmen for future deals. A number of companies expressed their desire to cooperate for investing purposes with Frozen Products I, IMEXCO, FOODCO, and so on to raise shrimp, to make bags, to manufacture canned foods of various kinds.

At the fair, the foreign business circles also paid attention to our handicraft products, particularly our ready-made clothing, leather articles, and shoes because of their attractiveness and low prices. Many companies, at the fair, raised the possibilities of signing contracts with and purchasing from INEXIM and Binh Tien Rubber Corporation in regard to such products as shirts, jeans, jackets, leather and rubber shoes, and products made of snake, boa, and crocodile skins, sport equipment, and so on. More than 10 companies proposed investment in the ready-made clothing, leather, and rubber industries.

#### INFOTRA and CETRA

The participation of the Ho Chi Minh City delegation in TIF 90 was the result of the increasing investment and commercial cooperation between the production and business circles of Taiwan and the municipality through the municipality's Investment and Foreign Trade Development Association (INFOTRA) and Taiwan's Foreign Trade Development Association (CETRA). These are nongovernmental organizations. CETRA was established in 1970, is mainly financed by private industrial and commercial organizations in Taiwan, has 720 people working in its offices in Taiwan, and has 29 branches abroad. It organized TIF 90. With assistance from CETRA, INFOTRA organized the participation of the municipality's producers and businessmen in TIF 90.

In the last nearly three years, the commercial relations between Vietnam and Taiwan were increasing quickly. In 1988, Vietnam exported to Taiwan 890,000 dollars and imported from Taiwan 870,000 dollars. In 1989, Vietnam exported 32 million dollars to and imported 8.7 million dollars from Taiwan. In the first six months of 1990, Vietnam exported 30.5 million dollars to and imported 20 million dollars from Taiwan. Many Taiwanese companies, such as Pan Viet, Yaoteh, and so on, have been doing flourishing business in Ho Chi Minh City.

Prior to coming to TIF 90, INFOTRA General Secretary Phan Chanh Duong said: "Among other things, we would learn at first from the large scale and high level of their organizing capabilities." We realized it was not an overstatement when we entered the Taipei World Commercial Center, where the headquarters of CETRA are located and where TIF 90 took place. The total area of

the center's exhibits amounts to 163,000 square meters. Forty-seven countries from all five continents took part in TIF 90, with nearly 900 pavilions occupying an area of 24,000 square meters. In addition to the TIF's of 1988 and 1990, CETRA also put aside 26,866 square meters and 1,313 pavilions for short-term exhibits and 99,100 square meters with from 1,027 to 1,600 pavilions and exhibit rooms for permanent displays (about 20 percent of these pavilions were foreign ones). The center has information, communications, money exchange, and other facilities to serve businessmen. Many symposiums on the economies of Taiwan and the fair-participating countries were held here. The Ho Chi Minh City delegation also organized a symposium on the opportunities for investment and cooperation with foreign countries in the municipality, which was attended by many Taiwanese businessmen. Many investors expressed their desire to do business with the municipality and also frankly raised their concern about our shortcomings in such areas as electricity, water, communications, and transportation and about complicated procedures in regard to investment, monetary matters, rate of exchange, housing, land, and so on.

#### Observations and Feelings

Through this fair, one thing that everybody was aware of was the fact that our knowledge of other countries' markets was very poor and that, on the other hand, the knowledge of foreigners of our country's economy was even poorer. Although INFOTRA and the Municipal Tourist Corporation took to the fair many hurriedly-printed introductory documents on the country, the people, and the municipality's economic potential, they were all gone in the first few days because of the great demand of large numbers of customers and visitors, and mainly because of our "generous" distribution, and were thus unavailable for the people who came later. The municipality's producers, exporters, and importers would certainly have to pay attention first to getting to know foreign markets and studying the needs of foreign countries.

Finally, we would like to mention another aspect—the feelings from the heart. In addition to CETRA's wholehearted assistance, during the fair the pavilions run by UNIPHA, the Tourist Corporation, Binh Tien Rubber Corporation, and so on also received enthusiastic assistance from the former Chinese residents in Vietnam, as well as from those people who had any business relations with us, who helped to load and unload goods, to put up displays, to translate, and so on. More particularly, in spite of rains and storms, many former residents in Vietnam who had been resettled in Taiwan traveled long distances to come to visit the Vietnamese pavilions just to buy a few souvenir items and to express their feelings of wanting to buy things having Vietnamese flavors, such as nang huong (scented) rice, red pepper sauce, Phu Quoc fish sauce, shrimp paste, rice paper, dried squid, grain pepper, and so on. These feelings left many profound impressions in the hearts of members of the municipal delegation.

One corporation, INEXIM, only five days after the end of TIF 90, from 10 to 13 September, received in Ho Chi Minh City many businessmen who had raised the question of doing business with it at the fair. IMEXCO, Frozen Products 1, and so on also received telex and fax communications from many Taiwanese businessmen who announced the dates of their arrival in Vietnam to further develop the preliminary agreements reached at the fair. That was another evidence of the prompt and ready action on the part of foreign businessmen.

### **Aquatic Products Gaining in International Markets**

91P300364

[Editorial Report] The Ho Chi Minh City daily SAIGON GIAI PHONG reported in a 3 Sep article that the SRV's aquatic products sector has made steady progress in the last 10 years and that exports of aquatic products have increased in international markets.

According to the article, exports of SRV aquatic products rose from 3,500 tons in 1981 to 38,000 tons in 1989, netting 160 million dollars. The target for 1990 is 40,000-45,000 tons, which could bring in about 200 million dollars. In the first six months of this year,

20,000 tons were exported, earning 97 million dollars. Shrimp accounts for 60 percent-70 percent and squid for 15 percent-20 percent of these exports. In addition, current exports include a variety of fresh, frozen, or dried fresh water and salt water fish, crabs, clams, sea swallow nests, shark fins, fish bladder, and seaweed.

The newspaper also reported that 60 percent of the SRV's aquatic exports are handled by one company, SEAPRODEX. The remaining 40 percent are divided up between 53 other companies, 40 of which are in Ho Chi Minh City.

According to SAIGON GIAI PHONG, Vietnam has 70 cold storage facilities with a capacity of 400 tons/day. Almost all the facilities have been newly outfitted with more modern equipment, and over half of them have been constructed since 1980. 18 are located in Ho Chi Minh City, while others were built in coastal areas to permit quick processing of the catch.

It was also reported that Vietnam's principal customers are from Hong Kong, Singapore, Australia, Canada, France, South Korea, Thailand, and Great Britain. Japanese and Hong Kong firms such as Gosoku, Saito, Shunsang, Sun Wah, and Hongsang were expressly cited for their dealings with the SRV.

**Smashing Schemes of Overseas Vietnamese**

912E0028A Hanoi *QUAN DOI NHAN DAN*  
in Vietnamese 21 Jul 90 p 4

[Article by Hoang Huan: "Smashing the 'Wave Crossing' Plan of Emigrant Reactionaries"]

[Text] Since their 1975 defeat, the postwar plan of the Americans has been outlined and gradually carried out. Returning to Vietnam and Indochina is still an objective of the Americans and other international reactionary forces. They have already nurtured and trained emigrant reactionary groups from three Indochinese countries, and regularly return them to Vietnam for subversion and sabotage.

After the incursions of Vo Dai Ton, Mai Van Hanh, Mai Quoc Tuy and the Hoang Co Minh group were appropriately punished, they sent the emigrant reactionary band of Tran Van Do.

Tran Van Do and his men were also captured alive by the army and people. However, the Americans still refused to abandon their dark plots and again assembled forces to formulate the "wave crossing" plan for dispatching the emigrant reactionary band led by Nguyen Vu and other bands into Vietnam for sabotage.

**What is the "Wave Crossing" Plan?**

At the beginning of November 1989, Sau Dang, alias Dang Van Thanh, returned from America with a scheme for initiating a campaign of new incursions into Vietnam. This campaign was named the "Wave Crossing Plan."

The theme of the "wave crossing" plan was to open a corridor from Thailand across Laos into Vietnam, establish a foothold on the border, make contact with members of the former puppet army and regime and other reactionaries in the area, and bring them back to bases in Thailand for training. At the same time, data would be collected along the infiltration route (charts, movies, photographs, and audio recordings) for dissemination in foreign countries and assistance in requesting foreign aid. The forces were divided into three bands designated N, V and R.

Band N had five men led by Nguyen Vu.

Band R also had five men and was led by Tran Ho.

Band V, led by Ut Nhu, consisted of seven men.

Each band had a separate and distinct mission. Band N's primary mission was to open an infiltration corridor across Laos into Vietnam, to make arrangements for bringing individuals in and out of the country along that line, and to maintain the corridor. At the same time, planning would be conducted for opening other routes that were not dependent on the Lao bandits.

The mission of Band R was to establish a corridor across Champassak into Stung Treng, Cambodia for infiltration into Vietnam to contact the underground.

Band V, thanks to assistance from the Lao reactionaries, would use valid papers to legally infiltrate Vietnam by way of Pakse along Route 13. Contact would be made to bring people out of the country and back from Thailand by the legal route or following the corridors established by Bands N and R.

At 1800 on 21 November 1989, two Toyota vehicles transported the group of Vietnamese emigrant reactionaries from Base T2 south of Mukdahan to Khemmarat, with 10 Lao bandit guides. After crossing the Pron Nong Hoi River, they remained for a month in Dong Xi Thuon where 60 Lao bandits provided support.

Reaching Dong Nhai on 6 January 1990, the bands divided up according to plan. Vu's Band N, comprising five men (Vu, Hung, Vuong and Huong), was led by the Lao bandits to Puktadan and Phu Pai Mountain where it rested.

The band reached Muong Nong on 30 January 1990 where four of the Lao bandits accompanied Ba Vuong back to a base in Thailand.

Vu's Band N, now consisting of four men, used map and compass to cut through the woods toward the northeast. On 22 February 1990, they advanced into the Mathon Ta Coi Woods of Thanh Village, Huong Hoa District, Quang Tri Province.

**Encirclement, Capture, Bankruptcy of "Wave Crossing" Plan, Eye Witnesses**

Throughout the final days of 1989 and beginning of 1990, members of the Quang Tri Province Border Command accumulated different bits of information:

—"Dang Van Thanh has organized about 200 men to infiltrate from Van Kiep Base into Vietnam in the directions of Binh Tri Thien and the Lao-Vietnamese and Cambodian-Vietnamese borders."

—"On 15 December 1989, an enemy band infiltrated from Thailand across Xong Khon District (Savanna-khet) in a direction east of Xi Thuon."

—"On 25 December, they were moving in the directions of Khammouane-Khemmarat-Xong Khon and Khemmarat-Paksenong-Nakhon Pheng."

—"At 1600 on 4 February 1990, five civilians, Pa-ta-di, Mrs. Ta Di, Mrs. Ta Vet, Thau, Kham Deng and a child of 10, were captured by the enemy in Con Xu Hamlet, Nong Village, Muong Nong District, near Tum Lan District of Saravane Province in Laos. The enemy sent Pa-ta-di to pick up two packages of glutinous rice and six kilograms of dry rice, gave the five people four cakes of face soap and 17 medicinal tablets of various kinds, took their pictures and released them."



—“On 7 February 1990, the people of Khun Xo Hamlet in Nong Village spotted three enemy. The enemy fired at them with an M79 and the people fled.”

—“At 0700 on the morning of 11 February, the people of Pon Pa Rieng Hamlet, Pon Pa Rieng Village, Muong Nong District, while working in their fields, saw four men wearing Vietnamese army uniforms moving toward Vietnam opposite Thanh Village, Huong Hoa District, about 10 kilometers from the border. The people ran back, sounded the alarm gong and sent someone to inform Thanh Village.”

The Quang Tri Border Defense Command held an urgent meeting to assess these bits of information, discussed plans for surrounding and capturing the enemy, and reported to upper echelons. Receiving concurrence, the Quang Tri Border Defense Command directed the outposts on Hills 613 and 625 to closely coordinate with our Lao friends in firmly ascertaining the hourly situation. Outpost 617 was directly instructed to dispatch reconnaissance personnel to confirm related information. On 12 February, orders were given to shift the border protection combat formation to strengthen outposts on the Vietnamese-Lao border; to bring additional mobile combat units to the mountain line; and to form a group of cadres under the command of the deputy chief of staff to join reconnaissance elements in developing a plan to capture the enemy in the area of outposts 613, 617, and 621. From 13 to 16 February, reconnaissance personnel continued to confirm the information. At 1900 on 16 February, additional mobile combat forces were directed to augment the border from Tan Phuoc to Xi Village, within the area of Outposts 613 and 617 and the primary direction of this enemy infiltration. At the same time, a pack of combat dogs was stationed at Outpost 613.

On 21 February, additional mobile forces and combat dogs were stationed in Thuan Village, Huong Hoa District.

At 2200 on 21 February 1990, the combat line of Thanh and Thuan Villages, within the area of Outpost 617, was informed that, “The people have spotted a flashlight shining across the river from Laos in the border section of Hamlet 8, Thanh Village.”

At 0230 on the morning of 22 February, the Provincial Border Defense Command directed, “Closely examine the signs, organize firmly, and pursue and capture the enemy.”

At 0300 on 22 February, a heavy rain washed out all traces, making pursuit extremely difficult for the men and combat dogs.

At 0800 on 22 February 1990, 42 men and two dogs were deployed in the operation.

At 0830, a column of smoke was spotted (meaning the enemy was preparing a meal) in Mathon Ta Coi Forest of Thanh Village. The pursuit detachment split into three

adjacent elements to search for the enemy. However, due to the thick woods, the enemy spotted us first, opened fire and fled, abandoning all their individual equipment. We continued the pursuit and the dogs continued their tracking. At 0930, we tightened the circle and at 1000, the elements opened fire, forcing the enemy to surrender. We captured the entire band of four men led by Nguyen Vu and confiscated all their equipment, from their compass and map to their arms and ammunition. The prisoners and spoils were loaded in a covered GAZ 66 truck and transported to prison. The “Wave Crossing Plan” was smashed.

The prisoners, eye witnesses of the dark plot, had to admit their guilt. They confessed to being all former puppet army officers who had fled the country, traitors to the fatherland who had evacuated to Thailand and entered the refugee camps of Se Thu, Long Rach, or Xi Thum, etc. A group of emigrant reactionaries came there to recruit, train, and send them back to Vietnam. Their band belonged to the organization of Sau Dang, alias Dang Van Thanh, a Deputy Provincial Chief of former Phuoc Long Province. This organization had a command consisting of three individuals and a staff section consisting of eight, and was divided into five blocs: military, security, operations and political doctrine [as published]. Constant support was received from the Americans and international reactionaries. Gaining experience from previous infiltration groups, they arranged for infiltration by many bands in coordination with Lao bandits across Laos from Thailand. Their purpose was to conduct long-term activity and investigation of the situation to familiarize themselves with the routes and then return to their bases for preparation to officially invade Vietnam. However, in spite of their ingenuity and cunning, the fate of these adventurers with their dark ambitions was clearly settled and tragically ended by the high revolutionary vigilance of our army and people.

#### Interview With Counterintelligence Official

912E0028B Hanoi QUAN DOI NHAN DAN  
in Vietnamese 18 Aug 90 p 2

[Interview with Major General Duong Thong, deputy director of the Counterintelligence General Department, Ministry of Interior, by QUAN DOI NHAN DAN correspondent Hoang Huan: “Our Country Is a Strong Point Against Enemy Subversion”; place of interview not given; first paragraph is QUAN DOI NHAN DAN introduction]

[Text] On the occasion of the 45th anniversary of the successful August Revolution and the 45th anniversary of the people's public security forces (from 19 August 1945 to 1990), the Saturday edition of QUAN DOI NHAN DAN conducted an interview with Major General Duong Thong, Deputy Director of the Counterintelligence General Department, Ministry of Interior.

[Hoang Huan] At the present time, complex changes are occurring in the world and domestic situations. The

enemies of Communism are seeking every formula and stratagem to sabotage us. Could you tell us about these formulas and stratagems and their consequences?

[General Thong] During the recent past and especially since the beginning of 1990, international powers and reactionaries have stepped up their activities to sabotage the revolution. We consider Vietnam a hot spot and strong point in their strategy of subversive attack.

The new formulas and stratagems of international imperialists and reactionaries are extremely insidious. They have actively employed emigrant reactionaries in foreign countries as an assault army, and have frantically assembled forces to formulate many plans for infiltrating the country. With an intention to shift their center of activity into the country, specifically by the so-called "Move the flame home campaign" and "Sow the wind, reap the whirlwind," they have impetuously introduced reactionary material to our country on an unprecedented scale aimed at political and ideological subversion and at provoking an uprising against the regime; and by specific plans, to infiltrate armed bands into the country for destructive activity. At the same time, they have intensified the infiltration of intelligence agents to our country by secret, semi-overt and overt routes to collect intelligence information for sabotaging us.

With outside support, reactionaries inside the country have engaged in many more blatant activities. They take advantage of religious and our weaknesses to assemble their forces, build an infrastructure, spread propaganda against the socialist regime, and plot to establish an opposition force in our country.

A number of individuals in the former puppet army, puppet administration and reactionary faction, refusing to reform, have reared their heads to contact and establish reactionary organizations against the socialist regime. On the other hand, a number of opportunistic and dissatisfied elements have taken advantage of the policy to expand democracy to openly disseminate erroneous views denying achievements made in the renovation task, attacking state agencies, demanding political pluralism and multiple parties, demanding abolishment of the Communist Party's leadership role, and resisting the socialist regime in conformance with imperialist and reactionary intentions.

[Hoang Huan] What measures are we using?

[General Thong] As clearly outlined by party resolutions, we must maintain political stability because only with political stability will conditions exist for socioeconomic stability and development.

Measures for defending, protecting, building, and internally strengthening pure and powerful party, government, and mass organizations must be considered. Of these, the most important issue is to detect and assist in

struggling to achieve social equality, to ensure democracy and openness with a set course in every aspect of social life, to resist corruption, negativism, and factionalism, and at the same time to remain determinedly dictatorial toward all types of criminals.

The public security forces and protection system at all levels must properly perform a staff role for party and administrative echelons and mass organizations in the task of internal protection from the central to the primary level. It is necessary to grasp the situation, to promptly discover and struggle against enemy offensive activities, and to firmly ascertain and promptly reflect the mood and aspirations of the masses regarding the line, position, and policy of the party and state. "Hot spots" must be promptly detected and effective methods of solution proposed.

Efforts must be made to block activities uniting counter-revolutionary forces under the guise of international "humanitarian," "human rights," etc. organizations, creating external pressure on our party and state.

[Hoang Huan] What is your outlook on resolving this situation? Would you also give us your evaluation on the role of the armed forces (the army in coordination with the public security forces) against these plots in order to protect the fruits of the revolution and to protect the socialist Vietnam fatherland?

[General Thong] Recent accomplishments on the national protection and security front have been extremely important, confirming the strength of our entire party, army, and people. However, the enemy still refuses to abandon the plot to sabotage our country's revolution.

On the national protection and security front, combat solidarity and united action between the public security forces and people's army are an important factor with both a decisive strategic significance and one of principle. Worthy of encouragement is that during the past 45 years of building and protecting the nation, coordinated relations and unified solidarity between these two forces have created beautiful strokes in our golden tradition. Confronted with the turning points at the present time, this solidarity and coordination must be bolstered because they will create the composite strength of the proletarian dictatorship system to smash the enemy's plots.

Solidarity and coordination between the two forces must be expressed from ideological viewpoint and combat will to each specific practical activity and from commands at all echelons to the primary level, not only in combat but in everyday life. Only in this manner is it possible to create a composite strength for firmly protecting the fruits of the revolution, and protecting the socialist Vietnam fatherland.

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